Summary of Financial Results for the Third Quarter of Fiscal Year 2026
(Nine Months Ended September 30, 2026)

[Japanese GAAP]
October 30, 2026

Company name: **SENSHUKAI CO.,LTD.** Stock exchange: Tokyo Stock Exchange
Stock code: 8165 URL: https://www.senshukai.co.jp
Representative: Mr. Satoshi Suzuki, President and Representative Director, Executive Officer
Inquiries: Mr. Tetsuya Takahashi,
Managing Executive Officer, General Manager, Corporates Headquarters
Tel: +81-6-6881-3220

Scheduled date of payment of dividend: -
Preparation of supplementary materials for financial results: None
Holding of financial results meeting: None

(All amounts are rounded down to the nearest millions of yen)

1. Consolidated Financial Results for the 3rd Quarter of 2026 (January 1, 2026 – September 30, 2026)

(1) Consolidated operating results (cumulative)

(Percentages represent changes from the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
3Q 2026	28,194	(6.1)	(1,997)	-	(1,988)	-	(842)	-
3Q 2025	30,021	(6.9)	(2,597)	-	(2,728)	-	3,869	-

Note: Comprehensive income (millions of yen) 3Q 2026: (911) (-%) 3Q 2025: 3,720 (-%)

	Net income per share	Diluted net income per share
	Yen	Yen
3Q 2026	(18.02)	-
3Q 2025	82.73	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
3Q 2026	21,627	16,125	74.6	344.73
Fiscal Year 2025	26,149	17,037	65.2	364.22

Reference: Shareholders' equity (millions of yen) 3Q 2026: 16,125 Fiscal Year 2025: 17,037

2. Dividends

	Dividend per share				
	1Q-end	2Q-end	3Q-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal Year 2025	-	0.00	-	0.00	0.00
Fiscal Year 2026	-	0.00	-		
Fiscal Year 2026 (forecasts)				0.00	0.00

Note: Revision to the most recently announced dividend forecast: Yes
For more information, please refer to "Notice of Revisions to Consolidated Outlook and Dividends (Dividend Suspension)" (Japanese version only) that was announced today (October 30, 2026).

3. Consolidated Outlook for Fiscal Year 2026 (January 1, 2026 – December 31, 2026)

(Percentages represent changes from the same period of the previous fiscal year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full Year 2026	39,000	(7.3)	(1,900)	-	(1,900)	-	(500)	-	(10.69)

Note: Revision to the most recently announced consolidated outlook: Yes
For more information, please refer to "Notice of Revisions to Consolidated Outlook and Dividends (Dividend Suspension)" (Japanese version only) that was announced today (October 30, 2026).

*** Notes**

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

Excluded: 1 (Belle Maison Logisco Co., Ltd.)

Note: Please refer to "2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements (Significant Changes in the Scope of Consolidation)" on page 10 for further information.

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

Note: Please refer to "2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements (Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements)" on page 8 for further information.

(3) Changes in accounting policies and accounting-based estimates, and restatements

1) Changes in accounting policies due to revisions in accounting standards, others: None

2) Changes in accounting policies other than 1) above: None

3) Changes in accounting-based estimates: None

4) Restatements: None

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of the period (including treasury shares)

3Q 2026:	52,056,993 shares	Fiscal Year 2025:	52,056,993 shares

2) Number of treasury shares at the end of the period

3Q 2026:	5,281,256 shares	Fiscal Year 2025:	5,280,829 shares

3) Average number of shares outstanding during the period

3Q 2026:	46,775,824 shares	3Q 2025:	46,776,213 shares

* Review of the attached quarterly consolidated financial statements by certified public accountants or auditing firms: None

* Cautionary statement with respect to forward-looking statements

Cautionary statement with respect to forecasts

The above projections are based on information available at the time of release of this report. Actual results could differ significantly from these projections due to a variety of factors. For further details regarding the projections, please refer to page 3, "1. Overview of Results of Operations, (3) Explanation of Consolidated Forecasts and Other Forward-looking Statements."

Contents of Attachments

1. Overview of Results of Operations 2
(1) Results of Operations 2
(2) Financial Position 3
(3) Explanation of Consolidated Forecasts and Other Forward-looking Statements 3
(4) Important Matters Regarding Going Concern Assumption, Etc. 3

2. Quarterly Consolidated Financial Statements and Notes 4
(1) Quarterly Consolidated Balance Sheet 4
(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income 6
(3) Notes to Quarterly Consolidated Financial Statements 8
(Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements) 8
(Segment Information) 8
(Significant Changes in Shareholders' Equity) 9
(Going Concern Assumption) 9
(Notes on Quarterly Consolidated Statement of Cash Flows) 10
(Significant Changes in the Scope of Consolidation) 10
(Significant Subsequent Events) 10

1. Overview of Results of Operations

(1) Results of Operations

In the first nine months (January 1 to September 30) of 2026, although some positive signs were seen, including rising wages and a recovery in capital investment, the outlook for the Japanese economy remains uncertain, as persistent inflation suppresses real wage growth and geopolitical risks continue to weigh on personal consumption.

In this business environment, the Senshukai Group has been steadily advancing measures for reforming business structure and restoring business performance, based on the Revitalization Plan (2025–2027) announced on February 13, 2025. In particular, we have continued to advance various digital-shift initiatives in the mail-order and online shopping business. However, delays in realizing their benefits during the first nine months and other factors caused order intake to fall short of target. This had a significant impact on net sales, which declined year on year. As a result, net sales decreased 6.1% YoY to 28,194 million yen and the operating loss was 1,997 million yen (compared with a loss of 2,597 million yen in the first nine months of 2025). Ordinary loss was 1,988 million yen (compared with a loss of 2,728 million yen in the first nine months of 2025) and loss attributable to owners of parent was 842 million yen due to the booking of gain on sale of non-current assets (compared with a profit of 3,869 million yen in the first nine months of 2025).

We will continue to advance structural reforms based on the Revitalization Plan. We will also continue our efforts to enhance corporate value over the medium- to long-term.

Business segment performance was as follows.

(Mail-order and Online Shopping Business)

In the mail-order and online shopping business, which focuses on online and catalog sales, sales decreased compared to the first nine months of 2025. However, as we strengthened product and channel offerings and promotional activities optimized for each target segment, and fully rolled out agile product launches, the number of new and reactivated purchasing members continued to show year-on-year growth in the first nine months. Sales through stores on e-commerce malls and at physical stores also increased year on year. Moreover, profitability improved as the Group continued to enhance the efficiency of order-acquisition costs by reducing catalog circulation and taking other measures with a focus on cost-effectiveness. Consolidated sales in the mail-order and online shopping business decreased 7.8% YoY to 23,352 million yen in the first nine months of 2026. Operating loss was 2,323 million yen, compared with a loss of 3,032 million yen in the first nine months of 2025.

(Corporates Business)

In the corporates business, which provides products and services to corporations, while advertising orders remained steady, the volume of consignment projects for outsourced logistics services decreased. Consolidated sales in the corporates business decreased 0.4% YoY to 3,091 million yen in the first nine months of 2026. Operating profit decreased 25.0% YoY to 145 million yen.

(Insurance Business)

This business provides customers, primarily Belle Maison members, with support for choosing the most suitable insurance policies. The number of new contracts from conventional channels has decreased, and although we are working to develop new sales channels, building these channels is taking time. Consolidated sales decreased 8.8% YoY to 282 million yen in the first nine months of 2026 and operating profit decreased 49.8% YoY to 64 million yen.

(Others)

In the other businesses, which include the childcare support business, a new nursery school was opened in Kiyose City, Tokyo, in April 2026, and nursery school operations continued to perform well. As a result, consolidated sales increased 14.4% YoY to 1,467 million yen in the first nine months of 2026. Operating profit increased 3.6% YoY to 116 million yen.

(2) Financial Position

(Balance sheet position)

Assets totaled 21,627 million yen at the end of the third quarter of 2026, a decrease of 4,521 million yen from the end of 2025.

Current assets decreased by 2,725 million yen to 14,831 million yen. The factors included a decrease of 2,605 million yen in cash and deposits. Non-current assets decreased by 1,796 million yen to 6,795 million yen. The factors included decreases of 1,558 million yen in property, plant and equipment, 121 million yen in intangible assets, and 116 million yen in investments and other assets.

Current liabilities decreased 3,777 million yen to 5,027 million yen. The factors included decreases of 1,816 million yen in other current liabilities and 1,606 million yen in electronically recorded obligations-operating. Non-current liabilities increased by 168 million yen to 474 million yen. The main factors included an increase of 149 million yen in long-term borrowings.

Net assets decreased by 911 million yen to 16,125 million yen. The factors included booking of loss attributable to owners of parent of 842 million yen. As a result, the equity ratio was 74.6%.

(3) Explanation of Consolidated Forecasts and Other Forward-looking Statements

We revised our consolidated forecasts for fiscal year 2026 (January 1, 2026 to December 31, 2026) that were announced on August 7, 2026. For more information, please refer to “Notice of Revisions to Consolidated Outlook and Dividends (Dividend Suspension)” (Japanese version only) that was announced today (October 30, 2026).

(4) Important Matters Regarding Going Concern Assumption, Etc.

The Senshukai Group recorded a significant operating loss for four consecutive years in 2025. In the first nine months of 2026, the Group continued to record a significant operating loss. These circumstances raise significant doubts about the Group’s ability to continue as a going concern.

For further details regarding measures to resolve this situation and the going-concern assumption, please refer to “2. Quarterly Consolidated Financial Statements and Notes, (3) Notes to Quarterly Consolidated Financial Statements (Going Concern Assumption).”

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	Fiscal Year 2025 (As of Dec. 31, 2025)	3Q 2026 (As of Sep. 30, 2026)
Assets		
Current assets		
Cash and deposits	6,937	4,332
Notes and accounts receivable - trade, and contract assets	1,034	1,052
Merchandise and finished goods	5,553	6,892
Accounts receivable - other	3,357	2,206
Other	720	415
Allowance for doubtful accounts	(46)	(67)
Total current assets	17,557	14,831
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,751	2,521
Land	4,118	2,869
Other, net	181	101
Total property, plant and equipment	7,051	5,492
Intangible assets		
Other	350	228
Total intangible assets	350	228
Investments and other assets		
Investment securities	342	339
Other	848	734
Allowance for doubtful accounts	(0)	(0)
Total investments and other assets	1,190	1,073
Total non-current assets	8,591	6,795
Total assets	26,149	21,627

(Millions of yen)

	Fiscal Year 2025 (As of Dec. 31, 2025)	3Q 2026 (As of Sep. 30, 2026)
Liabilities		
Current liabilities		
Electronically recorded obligations - operating	2,309	702
Accounts payable - trade	1,951	1,609
Short-term borrowings	200	341
Income taxes payable	20	25
Contract liabilities	455	181
Provision for sales promotion expenses	15	6
Provision for bonuses	68	193
Other	3,784	1,967
Total current liabilities	8,805	5,027
Non-current liabilities		
Long-term borrowings	100	249
Retirement benefit liability	6	6
Other	200	217
Total non-current liabilities	306	474
Total liabilities	9,111	5,502
Net assets		
Shareholders' equity		
Share capital	100	100
Capital surplus	30,084	30,084
Retained earnings	(9,298)	(10,141)
Treasury shares	(2,954)	(2,954)
Total shareholders' equity	17,931	17,089
Accumulated other comprehensive income		
Deferred gains or losses on hedges	95	7
Revaluation reserve for land	(1,124)	(1,124)
Foreign currency translation adjustment	133	154
Total accumulated other comprehensive income	(894)	(963)
Total net assets	17,037	16,125
Total liabilities and net assets	26,149	21,627

(2) Quarterly Consolidated Statement of Income and Quarterly Consolidated Statement of Comprehensive Income

(Quarterly Consolidated Statement of Income)

(Millions of yen)

	3Q 2025 (Jan. 1, 2025 – Sep. 30, 2025)	3Q 2026 (Jan. 1, 2026 – Sep. 30, 2026)
Net sales	30,021	28,194
Cost of sales	14,784	14,118
Gross profit	15,236	14,075
Selling, general and administrative expenses	17,834	16,072
Operating loss	(2,597)	(1,997)
Non-operating income		
Interest and dividend income	5	8
Share of profit of entities accounted for using equity method	38	-
Compensation income for damage	3	21
Other	90	17
Total non-operating income	137	47
Non-operating expenses		
Interest expenses	82	10
Foreign exchange losses	30	11
Share of loss of entities accounted for using equity method	-	3
Commission expenses	4	-
Provision for loss on branches closing	127	-
Other	23	13
Total non-operating expenses	268	38
Ordinary loss	(2,728)	(1,988)
Extraordinary income		
Gain on sale of non-current assets	7,054	1,251
Subsidy income	-	294
Other	-	0
Total extraordinary income	7,054	1,546
Extraordinary losses		
Loss on sale and retirement of non-current assets	0	0
Loss on tax purpose reduction entry of non-current assets	-	289
Impairment losses	344	27
Other	0	-
Total extraordinary losses	345	317
Profit (loss) before income taxes	3,979	(759)
Income taxes	110	82
Profit (loss)	3,868	(842)
Loss attributable to non-controlling interests	(0)	-
Profit (loss) attributable to owners of parent	3,869	(842)

(Quarterly Consolidated Statement of Comprehensive Income)

(Millions of yen)

	3Q 2025 (Jan. 1, 2025 – Sep. 30, 2025)	3Q 2026 (Jan. 1, 2026 – Sep. 30, 2026)
Profit (loss)	3,868	(842)
Other comprehensive income		
Valuation difference on available-for-sale securities	2	-
Deferred gains or losses on hedges	(129)	(88)
Foreign currency translation adjustment	(13)	19
Share of other comprehensive income of entities accounted for using equity method	(8)	0
Total other comprehensive income	(148)	(68)
Comprehensive income	3,720	(911)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	3,720	(911)
Comprehensive income attributable to non-controlling interests	(0)	-

(3) Notes to Quarterly Consolidated Financial Statements

(Application of Special Accounting Methods for Presenting Quarterly Consolidated Financial Statements)

(Calculation of Tax Expense)

Tax expenses are calculated by first determining a reasonable estimate of the effective tax rate after the application of tax effect accounting with respect to profit before income taxes for the fiscal year that includes the applicable quarter and multiplying the profit before income taxes for that quarter by that rate. However, Senshukai uses legally stipulated effective tax rates to calculate tax expenses when the use of estimated tax rates produces a clearly irrational result.

(Segment Information)

I 3Q 2025 (Jan. 1, 2025 – Sep. 30, 2025)

1. Information related to sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment	Amounts shown on quarterly consolidated statement of income (Note 2)
	Mail-order and online shopping business	Corporates business	Insurance business	Sub-total				
Net sales								
Sales to customers	25,323	3,105	309	28,738	1,282	30,021	-	30,021
Inter-segment sales or transfers	167	134	-	302	0	302	(302)	-
Total	25,491	3,239	309	29,041	1,282	30,323	(302)	30,021
Segment profit (loss)	(3,032)	193	128	(2,709)	112	(2,597)	-	(2,597)

Notes: 1. Others represent the businesses which are not included in any of the reportable segments and consist of the childcare support business.
2. Segment profit (loss) is adjusted to be consistent with the operating loss on the quarterly consolidated statement of income.

2. Information related to impairment of non-current assets, goodwill, etc. for each reportable segment

(Significant impairment losses related to non-current assets)

(Millions of yen)

	Reportable segment			Sub-total	Others (Note 1)	Elimination or corporate (Note 2)	Total
	Mail-order and online shopping business	Corporates business	Insurance business				
Impairment loss	40	43	-	84	6	253	344

Notes: 1. Others represent the businesses which are not included in any of the reportable segments and consist of the childcare support business.
2. The amount in “Elimination or corporate” pertains to corporate assets.

II 3Q 2026 (Jan. 1, 2026 – Sep. 30, 2026)

1. Information related to sales and profit or loss for each reportable segment (Millions of yen)

	Reportable segment				Others (Note 1)	Total	Adjustment	Amounts shown on quarterly consolidated statement of income (Note 2)
	Mail-order and online shopping business	Corporates business	Insurance business	Sub-total				
Net sales								
Sales to customers	23,352	3,091	282	26,727	1,467	28,194	-	28,194
Inter-segment sales or transfers	128	1	-	129	0	130	(130)	-
Total	23,481	3,093	282	26,857	1,467	28,324	(130)	28,194
Segment profit (loss)	(2,323)	145	64	(2,113)	116	(1,997)	-	(1,997)

Notes: 1. Others represent the businesses which are not included in any of the reportable segments and consist of the childcare support business.

2. Segment profit (loss) is adjusted to be consistent with the operating loss on the quarterly consolidated statement of income.

2. Information related to impairment of non-current assets, goodwill, etc. for each reportable segment

No major events or changes occurred.

(Significant Changes in Shareholders' Equity)

Not applicable.

(Going Concern Assumption)

The Senshukai Group recorded a significant operating loss for four consecutive years in 2025. In the first nine months of 2026, the Group continued to record a significant operating loss. These circumstances raise significant doubts about the Group's ability to continue as a going concern. To address this situation, the Group has formulated a Revitalization Plan (2025–2027) and is implementing the following measures to improve results of operations.

Measures to improve results of operations

Building on our strengths in idea generation, planning, and proposals; product development and procurement; customer assets; and brand trust and reliability, we are implementing improvement measures based on three key strategies.

Progress report

A. Fundamentally reforming the mail-order and online shopping business

Building on our reorganization into generation-based business domains with clearly defined targets, we are deepening target-specific strategies and advancing the full-scale operation of an e-commerce-centered business model.

We are rigorously implementing marketing strategies optimized for each target segment, which showed promising results in the previous fiscal year and are producing positive results in 2026. At the same time, we are also advancing the full-scale deployment of agile product launches aligned with seasonal demands and market trends. Through these initiatives, we are steadily laying the foundation for recovery in the mail-order and online shopping business.

B. Expanding business using mail-order and online shopping assets

The Group is using e-commerce malls and physical stores to maximize its sales potential, while diversifying its revenue base by strengthening B-to-B operations in areas including insurance and corporate commissions.

Sales through our stores on e-commerce malls and at physical stores are increasing. In our outsourced logistics

services, although the scale of consignment projects decreased during the first nine months, we are deepening relationships with existing clients while taking steps to secure more consignments going forward.

In addition, we are continuing efforts to develop new customer acquisition channels in the insurance business, while pursuing initiatives to secure stable earnings.

C. Developing new revenue streams

With the aim of expanding our medium- to long-term revenue base, we are strengthening our IP (intellectual property) utilization business, which confirmed positive results in the previous fiscal year, as a key focus area. We are cultivating new customer segments through the development of original products leveraging popular content and multifaceted initiatives integrating events and e-commerce. Going forward, we will further expand collaborations with leading IP holders to achieve early business growth and contribute to earnings.

In the childcare support business, we are promoting growth in peripheral businesses, while in our ethical initiatives, we are expanding the range of products offered on Belle Maison Net.

Regarding funds, as of the end of the first nine months of 2026, the Group possessed cash and deposits totaling 4,332 million yen. Borrowings increased from 300 million yen at the end of 2025 to 591 million yen at the end of the first nine months of 2026. This is due to new financing obtained from financial institutions. Regarding future funding plans, we will carefully assess the progress of the Revitalization Plan and consider various measures to secure financing from diverse sources. We will continue to formulate and consider financing measures and maintain close coordination with financial institutions so that we can respond should additional funding be required. In addition, as announced on March 30, 2026, in the “Notice of Sale of Non-current Assets and Recording of Extraordinary Income and Revisions to Full-Year Consolidated Forecasts” (Japanese version only), we entered into a real estate sale agreement for the disposal of idle assets. The property was handed over on April 17, 2026.

However, measures to improve results of operations being undertaken to address significant doubts regarding the going concern assumption are currently in progress, and it is possible that the profit and loss and financial benefits arising from the above-mentioned measures may not be fully realized. The Group recognizes that there is significant uncertainty regarding the assumption of a going concern as it has yet to determine whether it will be able to procure funds should further support from financial institutions be required.

Furthermore, the quarterly consolidated financial statements have been prepared on the assumption that the Group will continue as a going concern and do not reflect the impact of significant uncertainties regarding this assumption.

We will continue to respond flexibly to changes in the business environment and implement necessary measures in a timely manner. In the medium- to long-term, we strive to become a company that is long cherished by customers and meets the expectations of all stakeholders.

(Notes on Quarterly Consolidated Statement of Cash Flows)

The Quarterly Consolidated Statement of Cash Flows for 3Q 2026 have not been prepared. Depreciation (includes amortization expenses related to intangible assets) for 3Q of each fiscal year are as follows.

(Millions of yen)

	3Q 2025 (Jan. 1, 2025 – Sep. 30, 2025)	3Q 2026 (Jan. 1, 2026 – Sep. 30, 2026)
Depreciation	440	326

(Significant Changes in the Scope of Consolidation)

In the first quarter of 2026, Belle Maison Logisco Co., Ltd., formerly a consolidated subsidiary of Senshukai, has been excluded from the scope of consolidation as it was dissolved through a merger by absorption in which Senshu Logisco Co., Ltd., also a consolidated subsidiary of Senshukai, was the surviving company. Following the merger, Senshu Logisco Co., Ltd. changed its trade name to Senshukai Logistics Service Co., Ltd.

(Significant Subsequent Events)

(Transfer of Subsidiary's Shares)

At the Board of Directors' meeting held on October 30, 2026, Senshukai resolved to transfer all shares of its consolidated subsidiary, Senshukai Child Care Co., Ltd. (hereinafter "Child Care"), to LIKE, Inc. (hereinafter "LIKE"), and entered into a share transfer agreement on the same date. Following the transfer, Child Care is scheduled to be excluded from the scope of consolidation.

1. Reason for the transfer of shares
   Guided by our corporate philosophy as the "Women's Smiles Company," we provide a wide range of high-quality childcare services through our nursery operations and other initiatives. Our mission is to bring smiles to everyone involved in rearing children—including children, parents and guardians, childcare staff, and members of the local community.

   Child Care was established in November 2013 with the aim of helping parents, guardians, and families, even in a small way, address the challenges of balancing work and rearing children. It provides childcare support services under the concept of "using smiles to connect children, society, tomorrow, and the future." Its childcare philosophy is to "explore each child's potential and nurture the abilities they need to thrive in the years ahead."

   Meanwhile, the LIKE Group's childcare support service business considers what it can do today for children's futures. Guided by its commitment to providing services that people truly appreciate, it conducts its business by creating childcare environments that meet the ongoing needs of everyone who requires childcare services. Its childcare philosophy, expressed through the motto of "Gently Nurturing the Sprouts of Tomorrow," is to "respect children's initiative and independence and nurture the skills they need to thrive."

   In the course of reviewing the Senshukai Group's business portfolio and optimizing management resources, Senshukai has determined that operating under the LIKE Group, which shares its commitment to childcare and has a robust business foundation and extensive expertise, would help enhance the corporate value of Child Care and improve the environment for rearing children in local communities. Senshukai has therefore decided to proceed with this share transfer.

   In addition, Senshukai will continue to operate its services through LIKE's childcare support platform "nanapocke" app, and aims to address challenges facing the childcare industry as whole.

2. Name of the transferee
   LIKE, Inc.

3. Date of share transfer
   December 1, 2026 (tentative)

4. Name and business activities of the consolidated subsidiary
   Name: Senshukai Child Care Co., Ltd.
   Business activities: Nursery operations (childcare support services) and private after-school childcare services

5. Number of shares transferred, number of shares owned after the transfer, and gain or loss on transfer
   Number of shares transferred: 4,000 shares (Ownership of voting rights: 100.00%)
   Number of shares owned after the transfer: 0 shares (Ownership of voting rights: 0.00%)
   Gain or loss on transfer: Senshukai expects to record 396 million yen in extraordinary income as gain on sale of shares of subsidiaries and associates for the fiscal year ending December 31, 2026.

* *This financial report is solely a translation of summary of "Kessan Tanshin" (in Japanese, including attachments), which has been prepared in accordance with accounting principles and practices generally accepted in Japan, for the convenience of readers who prefer an English translation. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.*