

August 12, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: TOREX SEMICONDUCTOR LTD.
 Listing: Tokyo Stock Exchange
 Securities code: 6616
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 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: Yes
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the three months ended June 30, 2025 (from April 1, 2025 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 | % |
| Three months ended June 30, 2025 | 5,865 | (6.2) | 165 | (54.8) | 64 | (81.1) | 35 | (56.9) |
| June 30, 2024 | 6,251 | (2.4) | 365 | 64.1 | 340 | - | 83 | 17.4 |

Note: Comprehensive income For the three months ended June 30, 2025: ¥57 million [(87.4)%]
 For the three months ended June 30, 2024: ¥458 million [57.3%]

| | Basic earnings per share | Diluted earnings per share |
|----------------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| Three months ended June 30, 2025 | 3.38 | - |
| June 30, 2024 | 7.57 | - |

(2) Consolidated financial position

| | Total assets | Net assets | Equity-to-asset ratio | Net assets per share |
|---------------------|-----------------|-----------------|-----------------------|----------------------|
| | Millions of yen | Millions of yen | % | Yen |
| As of June 30, 2025 | 33,513 | 16,969 | 50.6 | 1,601.95 |
| March 31, 2025 | 33,607 | 17,400 | 51.8 | 1,616.67 |

Reference: Equity
 As of June 30, 2025: ¥16,969 million
 As of March 31, 2025: ¥17,400 million

2. Cash dividends

| | Annual dividends per share | | | | |
|--|----------------------------|--------------------|-------------------|-----------------|-------|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended March 31, 2025 | - | 28.00 | - | 28.00 | 56.00 |
| Fiscal year ending March 31, 2026 | - | | | | |
| Fiscal year ending March 31, 2026 (Forecast) | | 28.00 | | 28.00 | 56.00 |

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(Percentages indicate year-on-year changes.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------------------------------|-----------------|-----|------------------|---|-----------------|---|---|---|--------------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Fiscal year ending March 31, 2026 | 25,500 | 6.4 | 400 | - | 400 | - | 300 | - | 28.32 |

Note: Revisions to the earnings forecasts most recently announced: None

* **Notes**

- (1) Significant changes in the scope of consolidation during the period: None
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
 - (ii) Changes in accounting policies due to other reasons: None
 - (iii) Changes in accounting estimates: None
 - (iv) Restatement: None

(4) Number of issued shares (common shares)

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

| | |
|----------------------|-------------------|
| As of June 30, 2025 | 11,554,200 shares |
| As of March 31, 2025 | 11,554,200 shares |

(ii) Number of treasury shares at the end of the period

| | |
|----------------------|----------------|
| As of June 30, 2025 | 961,463 shares |
| As of March 31, 2025 | 790,963 shares |

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

| | |
|----------------------------------|-------------------|
| Three months ended June 30, 2025 | 10,620,785 shares |
| Three months ended June 30, 2024 | 10,999,602 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: nothing

* Proper use of earnings forecasts, and other special matters

(Cautions on forward-looking statements, etc.)

The forward-looking statements, including forecasts of financial results, contained in these materials are based on information currently available to the Company and on certain assumptions deemed to be reasonable. However, the Company makes no guarantee that these forecasts will be achieved. Actual financial results, etc. may differ substantially due to various factors. Please refer to “(3) Explanation on consolidated earnings forecasts and other forward-looking statements” of “1. Qualitative Information on Quarterly Financial Results” on page 3 of the attached materials for the conditions that form the assumptions for the earnings forecasts and cautions concerning the use thereof.

Quarterly consolidated balance sheet

(Thousands of yen)

| | As of March 31, 2025 | As of June 30, 2025 |
|---------------------------------------|----------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 9,429,457 | 9,521,789 |
| Notes and accounts receivable - trade | 4,084,734 | 4,060,517 |
| Inventories | 6,486,135 | 6,487,029 |
| Other | 839,744 | 761,277 |
| Allowance for doubtful accounts | (3,958) | (5,041) |
| Total current assets | 20,836,112 | 20,825,572 |
| Non-current assets | | |
| Property, plant and equipment | 9,155,201 | 8,895,038 |
| Intangible assets | 714,179 | 813,435 |
| Investments and other assets | | |
| Other | 2,907,423 | 2,984,239 |
| Allowance for doubtful accounts | (4,917) | (4,811) |
| Total investments and other assets | 2,902,505 | 2,979,428 |
| Total non-current assets | 12,771,885 | 12,687,902 |
| Total assets | 33,607,998 | 33,513,475 |

| | As of March 31, 2025 | As of June 30, 2025 |
|---|----------------------|---------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 701,368 | 847,347 |
| Short-term borrowings | 1,900,000 | 1,900,000 |
| Current portion of bonds payable | 100,000 | - |
| Current portion of long-term borrowings | 2,479,936 | 2,718,608 |
| Income taxes payable | 97,246 | 68,484 |
| Contract liabilities | 5,443 | 8,861 |
| Provision for bonuses | 437,324 | 78,917 |
| Other | 1,332,898 | 1,141,944 |
| Total current liabilities | 7,054,217 | 6,764,163 |
| Non-current liabilities | | |
| Long-term borrowings | 8,332,262 | 8,882,786 |
| Retirement benefit liability | 400,707 | 406,847 |
| Provision for share awards | 106,860 | 113,962 |
| Other | 313,318 | 376,664 |
| Total non-current liabilities | 9,153,148 | 9,780,260 |
| Total liabilities | 16,207,366 | 16,544,423 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 2,967,934 | 2,967,934 |
| Capital surplus | 8,420,205 | 8,420,205 |
| Retained earnings | 5,523,084 | 5,254,637 |
| Treasury shares | (999,102) | (1,184,227) |
| Total shareholders' equity | 15,912,121 | 15,458,550 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 280,420 | 312,249 |
| Foreign currency translation adjustment | 873,149 | 871,723 |
| Remeasurements of defined benefit plans | 334,940 | 326,528 |
| Total accumulated other comprehensive income | 1,488,510 | 1,510,501 |
| Total net assets | 17,400,632 | 16,969,051 |
| Total liabilities and net assets | 33,607,998 | 33,513,475 |

Quarterly consolidated statement of income

(Thousands of yen)

| | Three months ended June 30, 2024 | Three months ended June 30, 2025 |
|---|-------------------------------------|-------------------------------------|
| Net sales | 6,251,608 | 5,865,417 |
| Cost of sales | 4,400,681 | 4,425,999 |
| Gross profit | 1,850,927 | 1,439,417 |
| Selling, general and administrative expenses | 1,485,555 | 1,274,236 |
| Operating profit | 365,371 | 165,180 |
| Non-operating income | | |
| Interest and dividend income | 26,651 | 30,397 |
| Rental income | 11,955 | 8,302 |
| Other | 11,240 | 11,279 |
| Total non-operating income | 49,847 | 49,980 |
| Non-operating expenses | | |
| Interest expenses | 39,926 | 39,380 |
| Foreign exchange losses | 32,068 | 110,158 |
| Commission expenses | 2,000 | - |
| Other | 605 | 1,183 |
| Total non-operating expenses | 74,600 | 150,722 |
| Ordinary profit | 340,618 | 64,438 |
| Extraordinary income | | |
| Surrender value of insurance policies | 12,169 | - |
| Total extraordinary income | 12,169 | - |
| Extraordinary losses | | |
| Loss on sale and retirement of non-current assets | 4,307 | 5,249 |
| Total extraordinary losses | 4,307 | 5,249 |
| Profit before income taxes | 348,480 | 59,189 |
| Income taxes | 265,145 | 23,263 |
| Profit | 83,334 | 35,926 |
| Profit attributable to owners of parent | 83,334 | 35,926 |

Quarterly consolidated statement of comprehensive income

(Thousands of yen)

| | Three months ended June 30, 2024 | Three months ended June 30, 2025 |
|---|-------------------------------------|-------------------------------------|
| Profit | 83,334 | 35,926 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | 186,045 | 31,829 |
| Foreign currency translation adjustment | 196,846 | (1,426) |
| Remeasurements of defined benefit plans, net of tax | (7,986) | (8,411) |
| Total other comprehensive income | 374,905 | 21,990 |
| Comprehensive income | 458,240 | 57,916 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 458,240 | 57,916 |

(Notes on segment information, etc.)

Segment Information

I. the three months of the previous fiscal year (April 1, 2024 to June 30, 2024)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Unit: 1 thousand yen)

| | Reportable segments | | | | | Adjustment amount (Note 1) | Quarterly Consolidated Statements of Income |
|---|---------------------|-----------|---------|---------------|-----------|----------------------------|---|
| | Japan | Asia | Europe | North America | Total | | |
| Net sales (Note 2) | | | | | | | |
| Revenue generated from customer contracts | 4,326,577 | 1,437,736 | 364,134 | 123,159 | 6,251,608 | - | 6,251,608 |
| Revenues from external customers | 4,326,577 | 1,437,736 | 364,134 | 123,159 | 6,251,608 | - | 6,251,608 |
| Transactions with other segments | 1,615,294 | 91,888 | 7,555 | 9,722 | 1,724,461 | (1,724,461) | - |
| Total | 5,941,872 | 1,529,625 | 371,689 | 132,882 | 7,976,070 | (1,724,461) | 6,251,608 |
| Segment profit (loss) | 287,021 | 22,698 | 25,261 | (7,576) | 327,405 | 37,965 | 365,371 |

Note: 1. Segment profit or loss is adjusted for operating income in the quarterly consolidated statements of income. The adjustment amount of 37,965 thousand yen includes the elimination of 37,965 thousand yen of inter-segment transactions.

2. The Company makes business strategic decisions based on indicators based on sales in regions where electronic devices equipped with the Company's products are planned and designed, and orders are substantially received. The sales aggregated on a design-in basis are as follows.

(Design-in-based sales) (Unit: 1 thousand yen)

| | Reportable segments | | | | |
|-------|---------------------|---------|---------|---------------|-----------|
| | Japan | Asia | Europe | North America | Total |
| Sales | 4,544,471 | 996,990 | 469,610 | 240,537 | 6,251,608 |

II. the three months of the current fiscal year (April 1, 2025 to June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment, as well as information on the breakdown of revenues

(Unit: 1 thousand yen)

| | Reportable segments | | | | | Adjustment amount (Note 1) | Quarterly Consolidated Statements of Income |
|---|---------------------|-----------|---------|---------------|-----------|----------------------------|---|
| | Japan | Asia | Europe | North America | Total | | |
| Net sales (Note 2) | | | | | | | |
| Revenue generated from customer contracts | 4,044,557 | 1,361,475 | 287,232 | 172,151 | 5,865,417 | - | 5,865,417 |
| Revenues from external customers | 4,044,557 | 1,361,475 | 287,232 | 172,151 | 5,865,417 | - | 5,865,417 |
| Transactions with other segments | 1,582,513 | 97,830 | 10,794 | 7,383 | 1,698,522 | (1,698,522) | - |
| Total | 5,627,070 | 1,459,305 | 298,027 | 179,535 | 7,563,939 | (1,698,522) | 5,865,417 |
| Segment Profit | 109,527 | 29,391 | 28,937 | 13,406 | 181,262 | (16,081) | 165,180 |

Note: 1. Segment profit is adjusted to operating income in the quarterly consolidated statements of income. The adjustment amount of (16,081) thousand yen includes the elimination of inter-segment transactions of (16,081) thousand yen.

2. The Company makes business strategic decisions based on indicators based on sales in regions where electronic devices equipped with the Company's products are planned and designed, and orders are substantially received. The sales aggregated on a design-in basis are as follows.

(Design-in-based sales) (Unit: 1 thousand yen)

| | Reportable segments | | | | |
|-------|---------------------|---------|---------|---------------|-----------|
| | Japan | Asia | Europe | North America | Total |
| Sales | 4,237,154 | 921,437 | 451,199 | 255,626 | 5,865,417 |