



Consolidated Financial Results for the Three Months Ended November 30, 2025 [Japanese GAAP]

January 9, 2026

Company name: Valence Holdings Inc.

Securities code: 9270

Representative: (Title) Representative Director

Contact: (Title) Director and CFO

Scheduled date for commencing dividend payments: —

Preparation of supplementary financial results briefing materials:

Holding of financial results briefing:

Stock exchange listing: Tokyo Stock Exchange

URL: <https://www.valence.inc/>

(Name) Shinsuke Sakimoto

(Name) Shinichiro Sato (TEL) +81-3-4580-9983

Yes

Yes

(Amounts of less than one million yen are truncated.)

1. Consolidated financial results for the three months ended November 30, 2025 (September 1, 2025 to November 30, 2025)

(1) Consolidated operating results

(% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Three months ended November 30, 2025	24,528	30.3	1,505	—	1,448	—	953	—
Three months ended November 30, 2024	18,823	(4.4)	(80)	—	(170)	—	(260)	—

Note: Comprehensive income: Three months ended November 30, 2025 1,004 million yen [—%] Three months ended November 30, 2024 (222) million yen [—%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended November 30, 2025	72.54	72.25
Three months ended November 30, 2024	(20.04)	—

(2) Consolidated financial position

	Total assets	Net assets	Equity capital ratio
	Million yen	Million yen	%
As of November 30, 2025	34,954	8,531	23.6
As of August 31, 2025	30,938	7,676	23.8

(Reference only) Equity: As of November 30, 2025 8,234 million yen As of August 31, 2025 7,361 million yen

2. Dividends

	Annual dividends				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended in August 2025	—	0.00	—	10.00	10.00
Fiscal year ending in August 2026	—				
Fiscal year ending in August 2026 (forecast)		0.00	—	30.00	30.00

Note: Revision to the dividend forecast announced most recently: Yes

3. Consolidated financial forecast for the fiscal year ending in August 2026 (September 1, 2025 to August 31, 2026)

(% indicates year-over-year change)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	99,000	16.7	4,000	175.1	3,700	181.3	1,900	178.6	144.55

Note: Revision to the financial forecast announced most recently: Yes

* Notes

(1) Significant changes in the scope of consolidation during the period: None

(2) Accounting treatments adopted specially for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and retrospective restatements

1) Changes in accounting policies due to application of new or revised accounting standards: None

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

3) Changes in accounting estimates: None

4) Retrospective restatements: None

(4) Number of shares of common stock issued

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

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

3) Average number of shares of common stock during the period

As of November 30, 2025	13,744,460 shares	As of August 31, 2025	13,744,460 shares
As of November 30, 2025	600,280 shares	As of August 31, 2025	594,880 shares
Three months ended November 30, 2025	13,144,180 shares	Three months ended November 30, 2024	13,014,212 shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Explanation on appropriate use of financial forecasts and other matters of note

Financial forecasts and other forward-looking statements provided in these materials are based on information available to the Company and certain other assumptions deemed reasonable as of the date of publication of this document, and do not represent any guarantee that the Company will achieve these results. Actual financial results and other aspects of business performance may differ significantly from these forecasts owing to various factors. Please refer to “1. Qualitative information on quarterly financial results (3) Explanation of consolidated financial forecast and other forward-looking information” on page 5 of the attached materials for conditions forming the basis for financial forecasts, notes regarding the use of financial forecasts, and other information.

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1. Qualitative information on quarterly financial results

(1) Explanation of business results

The reuse industry in which the Company Group operates is expected to continue to grow. The size of the reuse market increased by 4.5% year on year to 3,262.8 billion yen in 2024 and is expected to reach 4 trillion yen in 2030 (source: “2025 Estimate of the Reuse Industry’s Market Size (2024 Edition)” published by The Japan Journal of Remodeling (September 2025)).

As a company whose core business is “reuse,” one of the key initiatives in creating a circular society, the Company Group aims to contribute to a sustainable society through its business activities with “Circular Design for the Earth and Us” set as its purpose. Furthermore, the Company Group aims to become a “Circular Design Company” by 2030, creating new revenue opportunities by offering a variety of options to its customers and partners and promoting the circulation of not only the goods owned by the Company Group but also those owned by its customers and partners.

In the mid-term management plan “To the Next Stage: For 2030 Revival Vision” covering the 3-year period through the fiscal year ending in August 2027, the Company Group is striving to expand its business with the basic policy of carrying out structural reforms to improve profitability and carefully selecting investments that will contribute to expanding the retail business and overseas purchasing, which have been designated as priority areas.

As a result of the business activities based on the above plan, the Company Group’s consolidated financial results for the three months ended November 30, 2025 were as follows.

(Unit: million yen)

	Three months ended November 30, 2024 (from September 1, 2024 to November 30, 2024)	Three months ended November 30, 2025 (from September 1, 2025 to November 30, 2025)	Year-on-year change	
			Amount	Percentage
Net sales	18,823	24,528	5,704	30.3%
Operating profit (loss)	(80)	1,505	1,585	—
Ordinary profit (loss)	(170)	1,448	1,619	—
Profit (loss) attributable to owners of parent	(260)	953	1,214	—

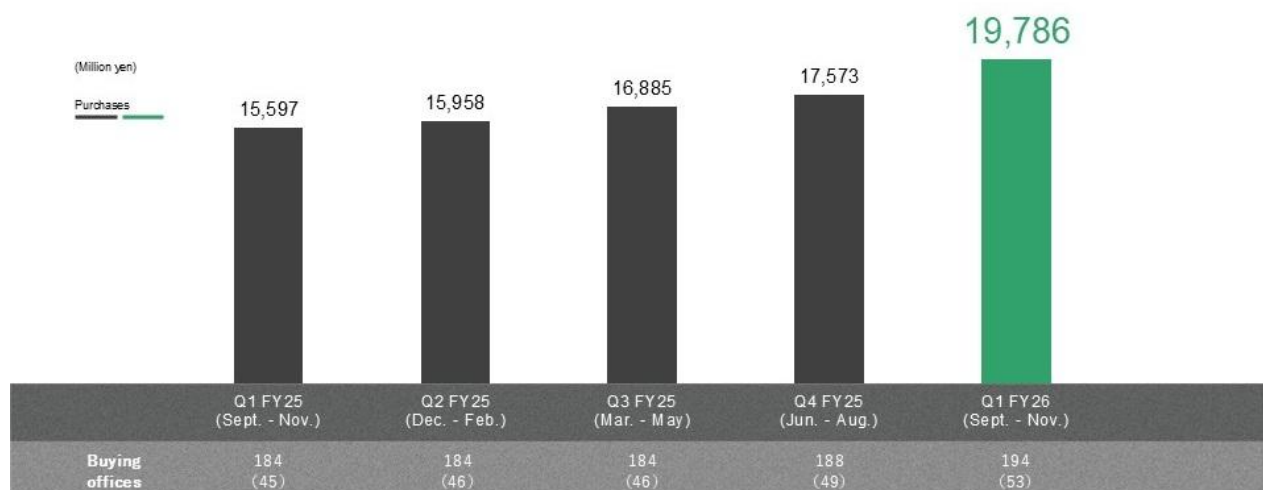
Specific initiatives in the three months ended November 30, 2025 were as follows.

With regard to purchases, the Company Group continued efficiency-focused buying office operations, in addition to purchases prioritizing the gross profit margin. Although external factors such as the rise in bullion prices provided a partial tailwind, purchases through *Nanboya* buying offices and other channels remained strong in the domestic business. In addition, purchases through alliances were steady. Furthermore, in the overseas business, purchases in the focus area of Southeast Asia performed particularly well. As a result of these initiatives, purchases in the three months ended November 30, 2025 totaled 19,786 million yen (up 4,188 million yen, or 26.9%, from the previous corresponding period).

Moreover, during the three months ended November 30, 2025, based on domestic buying office opening standards, the Company Group continued to open new buying offices while carefully selecting locations and emphasizing per-office efficiency. In the overseas business, the Company Group also opened new directly-operated and partner buying offices, primarily in Southeast Asia, where purchasing conditions remain favorable.. As a result, the total number of buying offices as of the end of the first quarter of the current fiscal year amounted to 141 domestic offices and 53 overseas offices.

Quarterly trends in purchases and the number of buying offices are as follows.

Purchases and Buying Offices



* No. of buying offices includes overseas buying offices. Nos. in parentheses indicate overseas buying offices.

Purchases reported in “1. Qualitative information on quarterly financial results (1) Explanation of business results” do not include purchases of automobiles.

With respect to selling operations, net sales for the three months ended November 30, 2025 amounted to 24,528 million yen (up 5,704 million yen, or 30.3%, from the previous corresponding period), due to solid expansion of net sales in each sales channel on the back of the abundant inventory at the beginning of the period and favorable purchasing.

As for the auction, sufficient volumes of auction items were secured through abundant inventory at the beginning of the period and favorable purchasing conditions. In addition, market conditions remained stable. As a result, net sales from the auction totaled 8,793 million yen (up 988 million yen, or 12.7%, from the previous corresponding period) during the three months ended November 30, 2025. In addition to the expansion of net sales from the auction, consignments remained strong, and GMV of winning bids on consignments at the auctions totaled 6,176 million yen (up 1,196 million yen, or 24.0%, from the previous corresponding period). Furthermore, the contribution from the collection of auction membership and participation fees was significant. As a result, net sales from auction commissions amounted to 991 million yen (up 246 million yen, or 33.0%, from the previous corresponding period).

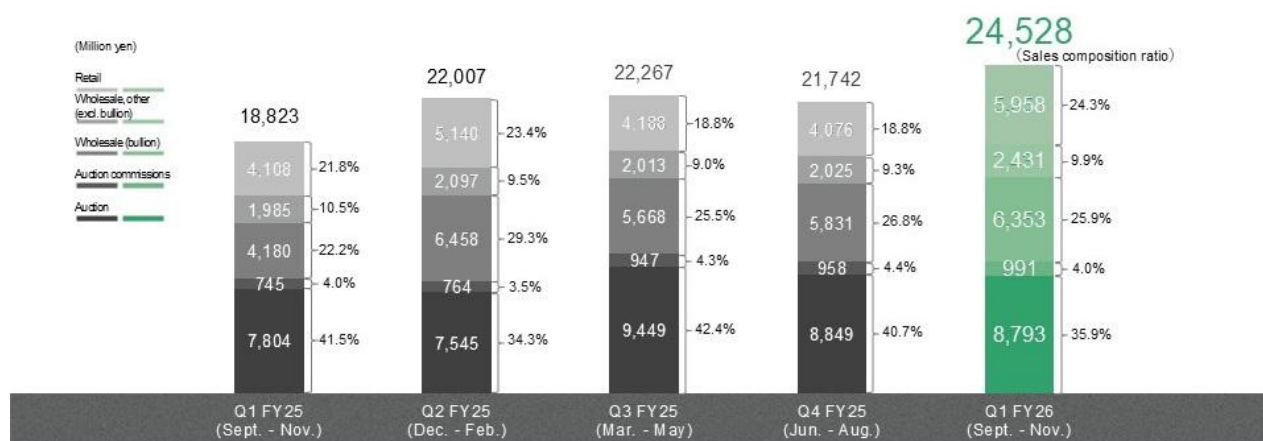
In terms of retail, e-commerce net sales expanded, contributed to by the extension of duration of seamless listing that has been implemented since August 2025, as well as due in part to an increase in the number of items listed. In addition, we launched cross-border e-commerce in November 2025, enabling global sales through our own e-commerce platform. Furthermore, inbound demand remained strong at stores, while one-to-one marketing initiatives targeting domestic customers also contributed to sales growth. As a result, retail net sales amounted to 5,958 million yen (up 1,849 million yen, or 45.0%, from the previous corresponding period) during the three months ended November 30, 2025.

Additionally, net sales from wholesale (bullion) continued to perform well and amounted to 6,353 million yen (up 2,172 million yen, or 52.0%, from the previous corresponding period) due to the rise in the bullion market.

Bidding of domestic partners at the auctions was proactive, driven in part by continued firm inbound demand. In addition, net sales to domestic customers in retail recorded a large growth, and bullion net sales expanded. As a result, in the three months ended November 30, 2025, domestic net sales totaled 19,312 million yen (up 5,037 million yen, or 35.3%, from the previous corresponding period). While inbound demand remained favorable in retail, demand of overseas partners at the auctions temporarily slowed due in part to the strategic allocation of inventory to retail in the second half of the three months ended November 30, 2025. As a result, overseas net sales totaled 5,215 million yen (up 666 million yen, or 14.7%, from the previous corresponding period). The ratio of overseas sales to total sales was 21.3% (down 2.9 percentage points from the previous corresponding period).

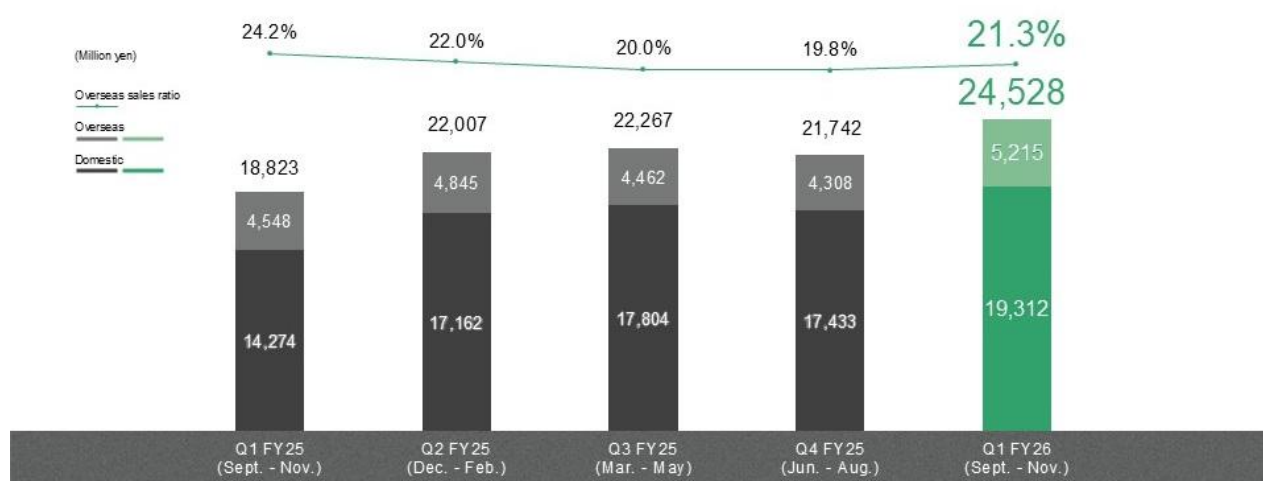
Quarterly net sales by channel and net sales (in domestic and overseas) are as follows.

Net Sales by Channel



* Net sales for the automobile business are included in wholesale, other net sales (excl. bullion).

Net Sales (Domestic, Overseas)



* Net sales to inbound customers are included in overseas net sales.

The gross profit margin for the three months ended November 30, 2025 was 27.2% (up 2.1 percentage points from the previous corresponding period). This improvement was driven by the continued application of a margin-focused purchasing policy, an increase in the ratio of retail net sales, and the expansion of net sales from auction commissions.

In addition, selling, general and administrative expenses amounted to 5,173 million yen (up 364 million yen, or 7.6%, from the previous corresponding period) during the three months ended November 30, 2025. While personnel expenses rose due to an increase in the number of staff associated with new buying office openings as well as salary and bonus adjustments, and the implementation of customer acquisition initiatives utilizing the “Original Birkin” resulted in higher advertising expenses, we continued efficiency-focused business operations. As a result of the above, operating profit amounted to 1,505 million yen (80 million yen operating loss in the previous corresponding period) during the three months ended November 30, 2025.

The Company Group has only one business segment—reuse business involving brand name products, antiques, works of art, and other articles. Thus, information by segment is omitted.

(2) Explanation of financial conditions

(Assets)

As of the end of the first quarter of the current fiscal year, total current assets were 23,934 million yen, up 3,891 million yen from the end of the previous fiscal year. This was mainly due to an increase of 2,024 million yen in merchandise on the back of favorable purchasing, an increase of 420 million yen in accounts receivable - trade caused by an increase in credit card receivables associated with retail sales expansion, an increase of 595 million yen in cash and deposits, and an increase of 699 million yen in consumption taxes refund receivable. Total non-current assets were 11,020 million yen, up 125 million yen from the end of the previous fiscal year. This was mainly due to an increase of 135 million yen in property, plant and equipment largely stemming from an increase in buildings and structures associated with the opening of buying offices and expansion of logistics warehouses, as well as an increase of 14 million yen in intangible assets largely stemming from the recording of software associated with system development. As a result, total assets were 34,954 million yen, up 4,016 million yen from the end of the previous fiscal year.

(Liabilities)

Total current liabilities as of the end of the first quarter of the current fiscal year were 15,247 million yen, up 2,326 million yen from the end of the previous fiscal year. This was mainly due to an increase of 1,700 million yen in short-term loans payable related to purchases of merchandise. Total non-current liabilities were 11,175 million yen, up 834 million yen from the end of the previous fiscal year. This was mainly due to an increase of 869 million yen in long-term loans payable related to working capital financing. As a result, total liabilities were 26,423 million yen, up 3,161 million yen from the end of the previous fiscal year.

(Net assets)

Total net assets as of the end of the first quarter of the current fiscal year were 8,531 million yen, up 855 million yen from the end of the previous fiscal year. This was mainly due to an increase of 822 million yen in retained earnings, reflecting the recognition of profit attributable to owners of parent of 953 million yen, despite dividend payments of 131 million yen.

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

The consolidated financial forecast for the fiscal year ending in August 2026 have been revised in light of the financial results of the three months ended November 30, 2025 and the current situation. For details, please refer to “Notice of Revisions to Consolidated Financial Forecasts and Dividend Forecast for the Fiscal Year Ending August 31, 2026” and “Q1 FY26 Financial Results” released today (January 9, 2026).

2. Quarterly consolidated financial statements and major notes

(1) Quarterly consolidated balance sheet

	(Unit: thousand yen)	
	Previous fiscal year (As of August 31, 2025)	First quarter of the current fiscal year (As of November 30, 2025)
Assets		
Current assets		
Cash and deposits	5,304,975	5,900,765
Accounts receivable - trade	1,097,094	1,517,592
Merchandise	10,405,960	12,430,804
Consumption taxes refund receivable	1,920,525	2,620,279
Other	1,841,945	1,964,630
Allowance for doubtful accounts	(526,968)	(499,504)
Total current assets	20,043,532	23,934,567
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	3,524,765	3,537,064
Tools, Furniture and fixtures (net)	1,832,806	1,970,460
Other (net)	498,894	484,227
Total property, plant and equipment	5,856,466	5,991,752
Intangible assets		
Software	1,605,785	1,678,497
Other	186,136	127,634
Total intangible assets	1,791,921	1,806,131
Investments and other assets		
Shares of subsidiaries and associates	200,028	161,085
Guarantee deposits	2,047,341	2,034,113
Other	999,076	1,027,242
Allowance for doubtful accounts	(20)	(5)
Total investments and other assets	3,246,427	3,222,436
Total non-current assets	10,894,815	11,020,320
Total assets	30,938,347	34,954,888

(Unit: thousand yen)

	Previous fiscal year (As of August 31, 2025)	First quarter of the current fiscal year (As of November 30, 2025)
Liabilities		
Current liabilities		
Accounts payable – trade	394,651	738,031
Short-term loans payable	8,300,000	10,000,000
Current portion of bonds payable	200,000	200,000
Current portion of long-term loans payable	523,180	523,180
Income taxes payable	417,399	557,122
Provision for bonuses	489,508	755,560
Asset retirement obligations	91,582	92,142
Other	2,505,302	2,381,928
Total current liabilities	12,921,623	15,247,964
Non-current liabilities		
Bonds payable	300,000	200,000
Long-term loans payable	8,889,973	9,759,178
Asset retirement obligations	1,036,442	1,078,707
Other	114,048	137,507
Total non-current liabilities	10,340,464	11,175,393
Total liabilities	23,262,088	26,423,358
Net assets		
Shareholders' equity		
Capital stock	1,373,285	1,373,285
Capital surplus	1,579,303	1,579,303
Retained earnings	4,916,381	5,738,443
Treasury shares	(668,489)	(668,489)
Total shareholders' equity	7,200,481	8,022,543
Accumulated other comprehensive income		
Foreign currency translation adjustment	160,922	212,308
Total accumulated other comprehensive income	160,922	212,308
Share acquisition rights	314,856	296,677
Total net assets	7,676,259	8,531,530
Total liabilities and net assets	30,938,347	34,954,888

(2) Quarterly consolidated statements of income and comprehensive income
(Quarterly consolidated statement of income)

	(Unit: thousand yen)	
	Three months ended November 30, 2024 (from September 1, 2024 to November 30, 2024)	Three months ended November 30, 2025 (from September 1, 2025 to November 30, 2025)
Net sales	18,823,673	24,528,083
Cost of sales	14,094,872	17,849,042
Gross profit	4,728,801	6,679,040
Selling, general and administrative expenses	4,808,838	5,173,276
Operating profit (loss)	(80,037)	1,505,764
Non-operating income		
Interest income	56	35
Foreign exchange gains	—	40,341
Other	3,397	1,640
Total non-operating income	3,453	42,017
Non-operating expenses		
Interest expenses	38,309	54,867
Foreign exchange losses	7,250	—
Share of loss of entities accounted for using equity method	47,006	38,943
Other	1,373	5,358
Total non-operating expenses	93,939	99,169
Ordinary profit (loss)	(170,522)	1,448,612
Extraordinary income		
Gain on reversal of share acquisition rights	9,688	21,074
Total extraordinary income	9,688	21,074
Extraordinary losses		
Impairment loss	9,307	5,531
Total extraordinary losses	9,307	5,531
Profit (loss) before income taxes	(170,141)	1,464,154
Income taxes - current	125,909	538,367
Income taxes - deferred	(35,125)	(27,770)
Total income taxes	90,783	510,596
Profit (loss)	(260,925)	953,557
Profit (loss) attributable to owners of parent	(260,925)	953,557

(Quarterly consolidated statement of comprehensive income)

	(Unit: thousand yen)	
	Three months ended November 30, 2024 (from September 1, 2024 to November 30, 2024)	Three months ended November 30, 2025 (from September 1, 2025 to November 30, 2025)
Profit (loss)	(260,925)	953,557
Other comprehensive income		
Foreign currency translation adjustment	38,575	51,386
Total other comprehensive income	38,575	51,386
Comprehensive income	(222,349)	1,004,944
Comprehensive income attributable to:		
Owners of parent	(222,349)	1,004,944

(3) Notes on quarterly consolidated financial statements

(Significant matters that serve as the basis for preparation of quarterly consolidated financial statements)

The quarterly consolidated financial statements have been prepared in accordance with Article 4, Paragraph 1 of the Standards for Preparation of Quarterly Financial Statements, etc. of the Tokyo Stock Exchange, Inc. and the Accounting Principles generally accepted in Japan regarding quarterly consolidated financial statements (Provided, however, that the omission of information set forth in Article 4, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc. has been applied).

(Notes on Segment information, etc.)

[Segment information]

The Company Group has only one business segment—reuse business involving brand name products, antiques, works of art, and other articles. Thus, information by segment is omitted.

(Notes in the case of significant changes in the amount of shareholders' equity)

Not applicable

(Notes regarding going concern assumptions)

Not applicable

(Notes regarding quarterly consolidated cash flow statement)

A quarterly consolidated cash flow statement is not prepared for the three months ended November 30, 2025. Depreciation expenses (including amortization of intangible assets) for the three months ended November 30, 2024 and 2025 are as follows.

	(Unit: thousand yen)	
	Three months ended November 30, 2024 (from September 1, 2024 to November 30, 2024)	Three months ended November 30, 2025 (from September 1, 2025 to November 30, 2025)
Depreciation expenses	315,006	358,374