



February 4, 2026

## Consolidated Financial Results for the Nine Months Ended December 31, 2025 [Japanese GAAP]

Company name: VALQUA, LTD.  
 Listing: Tokyo Stock Exchange  
 Securities code: 7995  
 URL: <https://www.valqua.co.jp>  
 Representative: Toshiharu Takisawa, Representative Director, President and COO  
 Inquiries: Koshiro Endo, General Manager, Investor Relations Division  
 TEL: +81-3-5434-7372  
 Scheduled date of commencing dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results briefing: None

(Amounts of less than one million yen are rounded down.)

### 1. Consolidated financial results for the Nine months ended December 31, 2025 (April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative) (% indicates 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 December 31, 2025	42,303	(6.0)	4,885	15.7	4,860	8.3	3,599	28.3
December 31, 2024	44,994	(2.7)	4,222	(22.5)	4,487	(22.5)	2,804	(29.7)

(Note) Comprehensive income  
 Nine months ended December 31, 2025 ¥3,238 million [32.6%]  
 Nine months ended December 31, 2024 ¥2,442 million [(48.3%)]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended December 31, 2025	204.40	—
December 31, 2024	159.42	—

(2) Consolidated financial position

	Total assets	Net assets	Shareholders' equity ratio
	Millions of yen	Millions of yen	%
As of December 31, 2025	82,884	51,197	61.7
March 31, 2025	77,823	50,521	64.9

(Reference) Shareholders' equity  
 As of December 31, 2025 ¥51,161 million  
 As of March 31, 2025 ¥50,486 million

### 2. Dividends

	Annual dividends				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ending March 31, 2025	-	75.00	-	75.00	150.00
Fiscal year ending March 31, 2026	-	75.00	-	-	-
Fiscal year ending March 31, 2026 (Forecast)	-	-	-	75.00	150.00

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

### 3. Consolidated financial results forecast for the fiscal year ending March 31, 2026 (April 1, 2025 to March 31, 2026)

(% indicates 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
Full year	58,000	(3.5)	7,000	23.5	7,000	16.7	4,800	2.6	272.56

(Note) Revisions to the financial results forecast most recently announced: Yes

\* Notes

- (1) Significant changes in scope of consolidation during the period: Yes  
 New: 1 (Company name) TORQUE SYSTEM Co., Ltd.  
 Exclusion: 2 (Company name) – VALQUA SEAL PRODUCTS (SHANGHAI) CO., LTD., VALQUA SES CO., LTD.

- (2) Adoption of accounting treatment specific to the preparation of consolidated financial statements: None

- (3) Changes in accounting policies and accounting estimates, and retrospective restatement  
 (i) Changes in accounting policies due to revisions of accounting standards, etc.: None  
 (ii) Changes in accounting policies other than in (i): None  
 (iii) Changes in accounting estimates: None  
 (iv) Retrospective restatement: None

- (4) Number of issued shares (common shares)

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

As of December 31, 2025	18,688,733 shares
As of March 31, 2025	18,688,733 shares

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

As of December 31, 2025	1,068,016 shares
As of March 31, 2025	1,092,793 shares

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

Nine months ended December 31, 2025	17,610,893 shares
Nine months ended December 31, 2024	17,594,198 shares

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

- \* Explanation on appropriate use of financial results forecasts and other special notes

(Caution regarding forward-looking statements)

Outlook for financial results and other forward-looking statements contained in this document are based on information currently available to the Company and certain assumptions deemed reasonable by the Company. The Company does not guarantee that those forecasts will be achieved. Actual financial results, etc. may differ significantly due to various factors. Please refer to “(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Statements” in “1. Overview of Operating Results, Etc.” on page 3 of the attached document for assumptions for financial results forecasts and cautionary notes in using financial results forecasts.

(Method of obtaining supplementary materials on quarterly financial results)

The supplementary materials on quarterly financial results will be made available on the Company website on February 4, 2026.

<https://www.valqua.co.jp>

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## 1. Overview of Operating Results, Etc.

### (1) Explanation of Operating Results

#### • Overview

During the nine months ended December 31, 2025, the Group promoted measures to develop production bases and increase capacity in preparation for a recovery in the semiconductor industry and future market expansion, while striving to secure earnings in an increasingly uncertain business environment, from the viewpoint of “striving to create new value to achieve the highest satisfaction of stakeholders,” as set forth in the medium-term management plan “New Frontier 2026” (NF2026), which is in its second year.

The Group reports the following consolidated results for the period under review: net sales of ¥42,303 million (down 6.0% year on year), operating profit of ¥4,885 million (up 15.7% year on year), ordinary profit of ¥4,860 million (up 8.3% year on year), and profit attributable to owners of parent of ¥3,599 million (up 28.3% year on year).

Orders received during the nine months ended December 31, 2025 totaled ¥42,353 million, and order backlog at the end of the period was ¥11,081 million. Orders received during the consolidated third quarter of the fiscal year (three months) totaled ¥15,491 million.

#### • Status by Business Segment

Financial results by business segment for period under review are as follows.

As the result of the sale of an operating company in the Silicon Wafer Reclaim Business, business segments have been changed from the current fiscal year. For details, please refer to the notes on Segment Information, etc. on page 8.

#### • Seal Products Business

In the Seal Products Business, net sales were ¥31,718 million (up 4.1% year on year) as sales of high-performance seal products for the advanced industries market remained at a high level, despite the impact of a decrease in the number of equipment maintenance projects for the plant market. Segment profit was ¥4,721 million (up 30.7% year on year).

#### • High Performance Plastics Products Business

In the High Performance Plastics Products Business, net sales were ¥10,585 million (down 14.9% year on year) due to a significant decline in sales of fluorocarbon processed products and tanks for the advanced industries market, in addition to continued adjustments in demand for fluorocarbon tanks, valves, and other products for the plant market. Segment profit was ¥163 million (down 63.5% year on year), reflecting the recording of expenses related to the review of business structures and production bases.

### (2) Overview of Financial Position for the Period under Review

Total assets at the end of the period under review amounted to ¥82,884 million, an increase of ¥5,061 million from the end of the previous fiscal year. Current assets amounted to ¥47,738 million, an increase of ¥1,308 million. This was mainly due to an increase of ¥1,510 million in raw materials and supplies, an increase of ¥565 million in merchandise and finished goods, an increase of ¥454 million in accounts receivable - other which is included in other current assets, and a decrease of ¥1,239 in notes and accounts receivable - trade, and contract assets, and a decrease of ¥599 million in cash and deposits. Non-current assets amounted to ¥35,145 million, an increase of ¥3,752 million. This was mainly due to an increase of ¥1,795 million in machinery, equipment and vehicles included under property, plant and equipment, an increase of ¥1,794 million in buildings and structures, a decrease of ¥2,104 million in construction in progress, an increase of ¥1,706 million in goodwill under intangible assets, and an increase of ¥705 million in investment securities under investments and other assets.

Liabilities amounted to ¥31,687 million, an increase of ¥4,384 million from the end of the previous fiscal year. Current liabilities increased by ¥202 million to ¥18,772 million. This was mainly due to an increase of ¥1,672 million in short-term borrowings, a decrease of ¥948 million in current portion of long-term borrowings, and a decrease of ¥766 million in income taxes payable. Non-current liabilities amounted to ¥12,914 million, an increase of ¥4,182 million. This was mainly due to an increase of ¥4,123 million in long-term borrowings, an increase of ¥263 million in deferred tax liabilities, and a decrease of ¥131 million in retirement benefit liability.

Net assets amounted to ¥51,197 million, an increase of ¥676 million from the end of the previous fiscal year. This was mainly due to an increase of ¥957 million in retained earnings, an increase of ¥249 million in valuation difference on available-for-sale securities, and a decrease of ¥530 million in foreign currency translation adjustment.

As a result, the shareholders' equity ratio decreased by 3.2 percentage points to 61.7% from 64.9% at the end of the previous fiscal year.

(3) Explanation of Consolidated Earnings Forecast and Other Forward-Looking Statements

For the nine-month period ended December 31, 2025, net sales fell short of the benchmark set as of the end of the quarter primarily due to lower-than-expected sales in the High Performance Plastics Products Business.

In addition, although performance in this business is improving, it has become evident that a full-scale recovery here is likely to materialize from the next fiscal year onward. Accordingly, we have revised the forecast for consolidated net sales for the full fiscal year.

Meanwhile, we maintain our previous forecast for profit items, as sales of high performance seals for the tech market remain high and progress is generally in line with plan.

For details, please refer to “Notice Concerning Revision to Full-Year Consolidated Earnings Forecast” disclosed today.

This forecast incorporates fluctuations in demand in the advanced industries market and others, as well as increases in energy and raw material prices and logistics costs to a certain extent. However, the forecast values and actual results may differ from each other should there arise an event that has a significant impact on the Group's business environment, such as disruptions in global supply chains, rapid fluctuations in foreign exchange rates, or further deterioration in geopolitical issues around the world.

## 2. Quarterly Consolidated Financial Statements and Major Notes

## (1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
<b>Assets</b>		
Current assets		
Cash and deposits	7,969	7,370
Notes and accounts receivable - trade, and contract assets	12,497	11,257
Electronically recorded monetary claims - operating	4,142	4,247
Merchandise and finished goods	6,542	7,108
Work in process	1,095	1,339
Raw materials and supplies	11,491	13,002
Other	2,845	3,560
Allowance for doubtful accounts	(154)	(148)
Total current assets	46,430	47,738
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	7,194	8,988
Land	4,169	4,233
Other, net	11,260	10,897
Total property, plant and equipment	22,624	24,120
Intangible assets		
Goodwill	-	1,706
Other	1,876	1,722
Total Intangible assets	1,876	3,428
Investments and other assets		
Investment securities	3,949	4,319
Other	2,977	3,304
Allowance for doubtful accounts	(34)	(26)
Total investments and other assets	6,891	7,597
Total non-current assets	31,393	35,145
Total assets	77,823	82,884

(Millions of yen)

	As of March 31, 2025	As of December 31, 2025
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	5,809	5,733
Electronically recorded obligations - operating	901	795
Short-term borrowings	4,952	6,624
Current portion of long-term borrowings	2,000	1,052
Income taxes payable	1,206	440
Provision for bonuses	699	420
Provision for bonuses for directors (and other officers)	86	52
Other	2,912	3,652
Total current liabilities	18,569	18,772
Non-current liabilities		
Long-term borrowings	6,662	10,786
Retirement benefit liability	373	242
Other	1,695	1,885
Total non-current liabilities	8,732	12,914
Total liabilities	27,302	31,687
<b>Net assets</b>		
Shareholders' equity		
Share capital	13,957	13,957
Capital surplus	4,756	4,792
Retained earnings	29,446	30,403
Treasury shares	(1,904)	(1,859)
Total shareholders' equity	46,256	47,293
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,307	1,556
Foreign currency translation adjustment	2,721	2,191
Remeasurements of defined benefit plans	201	119
Total accumulated other comprehensive income	4,230	3,867
Non-controlling interests	34	35
Total net assets	50,521	51,197
Total liabilities and net assets	77,823	82,884

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

	(Millions of yen)	
	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Net sales	44,994	42,303
Cost of sales	27,039	24,264
Gross profit	17,955	18,039
Selling, general and administrative expenses	13,732	13,153
Operating profit	4,222	4,885
Non-operating income		
Interest income	19	30
Dividend income	74	59
Rental income from facilities	211	207
Share of profit of entities accounted for using equity method	128	13
Foreign exchange gains	168	19
Other	129	131
Total non-operating income	731	461
Non-operating expenses		
Interest expenses	174	212
Rental expenses on facilities	170	194
Other	121	79
Total non-operating expenses	466	487
Ordinary profit	4,487	4,860
Extraordinary income		
Gain on sale of property, plant and equipment	2	37
Gain on sale of investments in capital of subsidiaries and associates	179	83
Total extraordinary income	181	120
Extraordinary losses		
Loss on abandonment of non-current assets	48	23
Impairment losses	62	—
Asbestos illness compensation money	42	—
Business restructuring expenses	146	342
Special investigation expenses, etc.	109	—
Total extraordinary losses	408	365
Profit before income taxes	4,260	4,615
Income taxes - current	1,248	872
Income taxes - deferred	173	140
Total income taxes	1,421	1,013
Profit	2,839	3,601
Profit attributable to non-controlling interests	34	1
Profit attributable to owners of parent	2,804	3,599



## (Quarterly Consolidated Statement of Comprehensive Income)

	(Millions of yen)	
	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Profit	2,839	3,601
Other comprehensive income		
Valuation difference on available-for-sale securities	(199)	241
Foreign currency translation adjustment	(45)	(530)
Remeasurements of defined benefit plans, net of tax	(80)	(81)
Share of other comprehensive income of entities accounted for using equity method	(71)	7
Total other comprehensive income	(397)	(362)
Comprehensive income	2,442	3,238
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,404	3,237
Comprehensive income attributable to non-controlling interests	37	1

(3) Notes to Quarterly Consolidated Financial Statements  
(Notes on Segment Information, Etc.)

[Segment Information]

I. Nine months ended December 31, 2024

Information on the amount of net sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segment			Total	Adjustments	Amount recorded in the quarterly consolidated statement of income (Note)
	Seal Products Business	High Performance Plastics Products Business	Silicon Wafer Reclaim and Other Businesses			
Net sales						
Sales to external customers	30,463	12,433	2,097	44,994	—	44,994
Inter-segment sales or transfers	—	—	—	—	—	—
Total	30,463	12,433	2,097	44,994	—	44,994
Segment profit	3,613	449	160	4,222	—	4,222

(Note) The total amount of segment profit is the same as operating profit in the quarterly consolidated statement of income.

II. Nine months ended December 31, 2025

1. Information on the amount of net sales and profit or loss for each reportable segment

(Millions of yen)

	Reportable segment		Total	Adjustments	Amount recorded in the quarterly consolidated statement of income (Note)
	Seal Products Business	High Performance Plastics Products Business			
Net sales					
Sales to external customers	31,718	10,585	42,303	—	42,303
Inter-segment sales or transfers	—	—	—	—	—
Total	31,718	10,585	42,303	—	42,303
Segment profit	4,721	163	4,885	—	4,885

(Note) The total amount of segment profit is the same as operating profit in the quarterly consolidated statement of income.

Matters regarding changes in reportable segments

(Reclassification of reportable segments)

Since the three months ended June 30, 2025, the Group's reportable segments have been reorganized into two segments: the Seal Products Business and the High Performance Plastics Products Business. In the past, the Group had three reportable segments: the Seal Products Business, the High Performance Plastics Products Business, and the Silicon Wafer Reclaim and Other Businesses.

At a meeting of the Board of Directors held on February 26, 2025, the Company resolved to transfer all of its shares held in VALQUA FFT Inc., a major constituent company in the Silicon Wafer Reclaim and Other Businesses, and the transfer was made on March 21, 2025. As a result of reconsidering reportable segments based on the Group's business management structure after this share transfer, we decided it would be appropriate to consolidate them into two segments: the Seal Products Business and the High Performance Plastics Products Business.

Segment information for the nine months ended December 31, 2024 has been prepared based on the classification after the change and by excluding the net sales and operating profit of VALQUA FFT Inc., which were included in the Silicon Wafer Reclaim and Other Businesses segment.

2. Information on Assets for Each Reportable Segment

During the nine months ended December 31, 2025, the Company acquired all shares of TORQUE SYSTEM Co., Ltd., and included TORQUE SYSTEM Co., Ltd. in the scope of consolidation. As a result, assets for the reportable segment in the period under review increased by ¥2,613 million in the Seal Products Business, compared to the end of the previous fiscal year.

3. Information on Impairment Loss of Non-Current Assets or Goodwill, Etc. for Each Reportable Segment  
(Material Impairment Loss on Non-Current Assets)

Not applicable.

(Material Changes in the Amount of Goodwill)

During the nine months ended December 31, 2025, the Company acquired all shares of TORQUE SYSTEM Co., Ltd., and included TORQUE SYSTEM Co., Ltd. in the scope of consolidation. As a result, goodwill increased by ¥1,706 million compared with the end of the previous fiscal year.

(Notes When There Are Significant Changes in Amounts of Equity)

Not applicable.

(Notes on Going Concern)

Not applicable.

(Notes on Quarterly Consolidated Statement of Cash Flows)

The Company has not prepared quarterly consolidated statement of cash flows for the first nine months of the current fiscal year. In addition, the amounts of depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first nine months of the current and previous fiscal years are as stated below.

	(Millions of yen)	
	Nine months ended December 31, 2024	Nine months ended December 31, 2025
Depreciation	2,095	2,105
Amortization of goodwill	6	43

(Business combination, etc.)

Transfer of equity interest in subsidiary

At a meeting of the Board of Directors held on August 27, 2025, the Company resolved to transfer 100% of the Company's equity interest in VALQUA SEAL PRODUCTS (SHANGHAI) CO., LTD., a consolidated subsidiary of the Company, to Shenzhen WOTE Advanced Materials Co., Ltd. An agreement was concluded on September 5, 2025 for the transfer of equity interest, which was completed on December 10, 2025.

1. Overview of capital transfer

(1) Name of counterparty to capital transfer

Shenzhen WOTE Advanced Materials Co., Ltd.

(2) Outline of the transferred subsidiary

Name: VALQUA SEAL PRODUCTS (SHANGHAI) CO., LTD.

Business: Manufacture and sale of various seal products, lining tanks and other products

(3) Reason for the transfer of equity interest

VALQUA SEAL PRODUCTS (SHANGHAI) CO., LTD. began manufacturing mainly metal bellows and high-performance seal products in 2010. In 2017, it obtained a license from the Ministry of Economy, Trade and Industry and began production of fluorocarbon lining tanks in conjunction with investment in semiconductor plant construction in China and overseas. However, in addition to the dramatic increase in geopolitical risks, the business environment continues to be severe, with the strengthening of preferential policies for domestic companies in China. Based on these circumstances, we anticipate that it will be difficult to secure earnings in the future and decided to transfer the company.

(4) Timing of capital transfer

December 10, 2025 (deemed transfer date December 31, 2025)

(5) Matters related to the outline of other transactions including the legal forms

Transfer of equity interest with cash consideration

(i) Percentage of equity interest before transfer: 100%

(ii) Percentage of equity interest to be transferred: 100%

(iii) Percentage of equity interest after transfer: 0.0%

2. Summary of accounting measures

(1) Amount of gain or loss on transfer

Gain on sale of investments in capital of subsidiaries and associates      ¥83 million

(2) Fair book values of the assets and liabilities pertaining to the transferred business, and the major breakdown thereof

Current assets	¥362 million
Non-current assets	¥321 million
<b>Total assets</b>	<b>¥683 million</b>
Current liabilities	¥170 million
Non-current liabilities	¥70 million
<b>Total liabilities</b>	<b>¥240 million</b>

(3) Accounting treatment

The difference between the consolidated book value of the transferred shares and the sale price is recorded as a "gain on sale of capital of subsidiaries and associates" under extraordinary income.

3. Name of the segments in which the transferred subsidiary was included in the disclosure of segment information

Seal Products Business and High Performance Plastics Products Business

4. Approximate amount of profit or loss related to the transferred subsidiary recorded in the quarterly consolidated statement of income for the consolidated cumulative period of the quarter.

Net sales	¥730 million
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Operating loss	¥241 million
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## 3. Supplementary Information

## (1) Orders Received

(Millions of yen)

Segment name	Orders received			Order backlog		
	Nine months ended December 31, 2024	Nine months ended December 31, 2025	Year-on-year change (%)	As of December 31, 2024	As of December 31, 2025	Year-on-year change (%)
Seal Products Business	30,968	31,445	1.5	6,399	6,579	2.8
High Performance Plastics Products Business	12,042	10,907	(9.4)	4,238	4,501	6.2
Silicon Wafer Reclaim and Other Businesses	2,017	—	—	185	—	—
Total	45,028	42,353	(5.9)	10,824	11,081	2.4

(Note) Since the three months ended June 30, 2025, the Group's reportable segments have been reorganized into two segments: the Seal Products Business and the High Performance Plastics Products Business. In the past, the Group had three reportable segments: the Seal Products Business, the High Performance Plastics Products Business, and the Silicon Wafer Reclaim and Other Businesses. Segment information for the nine months ended December 31, 2024, has been prepared based on the classification after the change and by excluding the orders received and order backlog of VALQUA FFT Inc., which were included in the Silicon Wafer Reclaim and Other Businesses segment.

## (2) Overseas Net Sales

Nine months ended December 31, 2024

	Asia	United States	The Others	Total
I. Overseas net sales (millions of yen)	10,625	3,387	97	14,110
II. Consolidated net sales (millions of yen)				44,994
III. Percentage of overseas net sales to consolidated net sales (%)	23.6	7.5	0.2	31.3

(Note) 1 Country or region classification is based on geographical proximity.

2 The breakdown of the main countries or regions belonging to each classification other than Japan is as follows:

- (1) Asia China, Taiwan, Thailand, Singapore, South Korea, and Vietnam
- (2) The Others Europe

3 Overseas net sales are sales by the Company and its consolidated subsidiaries in countries or regions other than Japan.

Nine months ended December 31, 2025

	Asia	United States	The Others	Total
I. Overseas net sales (millions of yen)	11,912	2,006	115	14,034
II. Consolidated net sales (millions of yen)				42,303
III. Percentage of overseas net sales to consolidated net sales (%)	28.2	4.7	0.3	33.2

(Note) 1 Country or region classification is based on geographical proximity.

2 The breakdown of the main countries or regions belonging to each classification other than Japan is as follows:

- (1) Asia China, Taiwan, Thailand, Singapore, South Korea, and Vietnam
- (2) The Others Europe

3 Overseas net sales are sales by the Company and its consolidated subsidiaries in countries or regions other than Japan.

Independent Auditor's Interim Review Report

February 4, 2026

To the Board of Directors of VALQUA, LTD.

Ernst & Young ShinNihon LLC  
Tokyo, Japan

Certified Public Accountant

Naoki Kuramochi

Certified Public Accountant

Kosuke Kawabata

**Auditor's Conclusion**

We have reviewed the accompanying quarterly consolidated financial statements of VALQUA, LTD. (the "Company") for the third quarter of the consolidated fiscal year from April 1, 2025 to March 31, 2026, as presented in the "attachment" of the Quarterly Financial Results, comprising the quarterly consolidated balance sheet, the quarterly consolidated statements of income and comprehensive income, and the related notes, for the third quarter consolidated accounting period from October 1, 2025 to December 31, 2025 and the third quarter consolidated cumulative period from April 1, 2025 to December 31, 2025.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying quarterly consolidated financial statements are not prepared, in all material respects, in accordance with Article 4, Paragraph (1) of the Tokyo Stock Exchange, Inc.'s Standards for the Preparation of Quarterly Financial Statements and accounting principles for quarterly financial statements generally accepted in Japan, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph (2) of the Standards.

**Basis for Auditor's Conclusion**

We conducted our review in accordance with review standards for interim financial statements generally accepted in Japan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Review of the Quarterly Consolidated Financial Statements section of our report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements that are relevant to our review of the quarterly consolidated financial statements in Japan, including those applicable to audits of financial statements of public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the evidence we have obtained provides a basis for our conclusion.

**Responsibilities of Management, the Corporate Auditor and the Board of Corporate Auditors for the Consolidated Quarterly Financial Statements**

Management is responsible for the preparation of these quarterly financial statements in accordance with Article 4, Paragraph (1) of Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan for quarterly financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph (2) of the Standards. This includes designing and operating such internal control as management determines is necessary to enable the preparation of quarterly financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly financial statements, management is responsible for assessing the Company's ability to continue as a going concern and disclosing, as required by Article 4, Paragraph (1) of Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan for quarterly financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph (2) of the Standards, matters related to going concern.

The Corporate Auditor and the Board of Corporate Auditors are responsible for overseeing the execution of duties by the Directors pertaining to the design and operation of the Group's financial reporting process.

**Auditor's Responsibilities for the Interim Review of the Quarterly Consolidated Financial Statements**

Our responsibility is to express a conclusion on these quarterly consolidated financial statements based on our review from an independent standpoint.

As part of a review in accordance with review standards for interim financial statements generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters and apply analytical and other interim review procedures. An interim review is substantially less in scope than an annual audit of financial statements conducted in accordance with auditing standards generally accepted in Japan.
- If we determine that a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern, then we conclude, based on the evidence obtained, on whether anything has come to our attention that causes us to believe that the quarterly financial statements are not prepared in accordance with Article 4, Paragraph (1) of Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan for quarterly financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph (2) of the Standards. Additionally, if we conclude that a material uncertainty exists on the Company's ability to continue as a going concern, we are required to draw attention in our auditor's interim review report to the related disclosures in the quarterly financial statements and accompanying notes or, if such disclosures are inadequate, to express a qualified conclusion or adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's interim review report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the quarterly financial statements and accompanying notes are not prepared in accordance with Article 4, Paragraph (1) of Standards for Preparation of Quarterly Financial Statements of the Tokyo Stock Exchange, Inc. and accounting principles generally accepted in Japan for quarterly financial statements, applying the provisions for reduced disclosures as set forth in Article 4, Paragraph (2) of the Standards.
- Obtain evidence regarding the financial information of the Company and its consolidated subsidiaries as a basis for expressing a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the documentation of the interim review. We remain solely responsible for our conclusion.

We communicate with the Corporate Auditor and the Board of Corporate Auditors regarding, among other matters, the planned scope and timing of the interim review and significant review findings.

We also provide the Corporate Auditor and the Board of Corporate Auditors with a statement that we have complied with the ethical requirements regarding independence that are relevant to our review of the quarterly consolidated financial statements in Japan, and to communicate with them all relationships, other matters that may reasonably be thought to bear on our independence, and where applicable, measures taken to eliminate inhibiting factors or apply safeguards to reduce them to an acceptable level.

**Interest Required to Be Disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Company and its consolidated subsidiaries which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

End of document

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- (Note) 1. The original copy of the above Independent Auditor's Interim Review Report is in the custody of the Company (a company that discloses quarterly financial results).
2. XBRL data and HTML data are not included in the scope of the interim review.