September 11, 2026

Consolidated Financial Results for the Six Months Ended July 31, 2026 (Under Japanese GAAP)

Company name: Morozoff Limited
Listing: Tokyo Stock Exchange
Securities code: 2217
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Scheduled date to file semi-annual securities report: September 14, 2026
Scheduled date to commence dividend payments: October 6, 2026
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 six months ended July 31, 2026 (from February 1, 2026 to July 31, 2026)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
July 31, 2026	16,355	1.0	50	(88.0)	136	(70.9)	59	(78.3)
July 31, 2025	16,192	(1.7)	424	(41.7)	468	(37.4)	271	(44.2)

Note: Comprehensive income For the six months ended July 31, 2026: ¥230 million [(19.8)%]
For the six months ended July 31, 2025: ¥287 million [(59.1)%]

	Basic earnings per share	Diluted earnings per share
Six months ended	Yen	Yen
July 31, 2026	2.94	-
July 31, 2025	13.43	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
July 31, 2026	27,175	19,952	73.4
January 31, 2026	28,163	19,873	70.6

Reference: Equity
As of July 31, 2026: ¥19,952 million
As of January 31, 2026: ¥19,873 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 January 31, 2026	-	6.00	-	10.00	16.00
Fiscal year ending January 31, 2027	-				
Fiscal year ending January 31, 2027 (Forecast)		5.00		5.00	10.00

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

3. Forecast of consolidated financial results for the fiscal year ending January 31, 2027 (from February 1, 2026 to January 31, 2027)

(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 January 31, 2027	36,670	1.1	520	(58.9)	620	(51.8)	290	(54.9)	14.45

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 semi-annual 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 July 31, 2026	20,565,356 shares
As of January 31, 2026	21,265,356 shares

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

As of July 31, 2026	471,303 shares
As of January 31, 2026	1,204,758 shares

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

Six months ended July 31, 2026	20,075,255 shares
Six months ended July 31, 2025	20,213,697 shares

Note: 1. Due to the cancellation of treasury shares on February 9, 2026, the number of shares outstanding at the end of the fiscal year decreased by 700,000 shares.
2. The number of treasury shares at the end of the fiscal year includes the Company's shares held by the employee stock ESOP trust account (235,300 shares for the interim period ending January 2027 and 261,200 shares for the fiscal year ending January 31, 2026). In addition, the Company's shares held by the employee stock ESOP trust account are included in the number of treasury shares to be deducted in the calculation of the average number of shares during the period.

* Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

* Proper use of earnings forecasts, and other special matters

The above earnings forecasts are based on information available as of the date of this release, and actual results may differ due to various factors in the future.

* How to obtain supplementary financial results materials

Supplementary financial results materials will be disclosed on TDnet on the same day and posted on the Company's website. (Japanese only)

Semi-annual consolidated balance sheet

(Thousands of yen)

	As of January 31, 2026	As of July 31, 2026
Assets		
Current assets		
Cash and deposits	2,109,585	2,544,452
Notes and accounts receivable - trade	7,788,270	3,421,399
Merchandise and finished goods	2,419,756	1,228,494
Work in process	455,314	1,797,310
Raw materials and supplies	555,094	817,274
Other	99,686	532,955
Allowance for doubtful accounts	(1,000)	(1,000)
Total current assets	13,426,709	10,340,887
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	2,690,997	6,096,324
Land	3,644,738	3,644,738
Other, net	4,325,879	2,708,069
Total property, plant and equipment	10,661,616	12,449,132
Intangible assets		
Other	230,152	213,226
Total intangible assets	230,152	213,226
Investments and other assets		
Investment securities	1,514,868	1,705,414
Retirement benefit asset	1,332,642	1,455,438
Other	997,244	1,010,957
Total investments and other assets	3,844,756	4,171,809
Total non-current assets	14,736,524	16,834,169
Total assets	28,163,234	27,175,056

(Thousands of yen)

	As of January 31, 2026	As of July 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,016,123	1,419,315
Electronically recorded obligations - operating	517,034	464,988
Short-term borrowings	2,145,000	1,685,000
Income taxes payable	156,092	105,452
Provision for bonuses	225,130	190,140
Other	2,894,866	1,961,354
Total current liabilities	6,954,247	5,826,251
Non-current liabilities		
Long-term borrowings	380,000	332,500
Retirement benefit liability	76,262	81,741
Other	879,339	981,938
Total non-current liabilities	1,335,601	1,396,179
Total liabilities	8,289,848	7,222,431
Net assets		
Shareholders' equity		
Share capital	3,737,467	3,737,467
Capital surplus	4,009,854	3,918,352
Retained earnings	12,846,236	11,854,629
Treasury shares	(1,674,812)	(684,250)
Total shareholders' equity	18,918,745	18,826,199
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	616,946	759,261
Revaluation reserve for land	284,238	284,238
Foreign currency translation adjustment	97,956	111,109
Remeasurements of defined benefit plans	(44,502)	(28,183)
Total accumulated other comprehensive income	954,639	1,126,426
Total net assets	19,873,385	19,952,625
Total liabilities and net assets	28,163,234	27,175,056

Semi-annual consolidated statement of income

(Thousands of yen)

	Six months ended July 31, 2025	Six months ended July 31, 2026
Net sales	16,192,722	16,355,902
Cost of sales	8,041,120	8,461,732
Gross profit	8,151,602	7,894,169
Selling, general and administrative expenses	7,727,471	7,843,365
Operating profit	424,131	50,803
Non-operating income		
Dividend income	18,014	19,923
Patronage Dividends Received	-	55,476
Gain on adjustment of accounts payable	15,378	-
Other	30,692	29,566
Total non-operating income	64,086	104,965
Non-operating expenses		
Interest expenses	12,069	16,678
Other	7,313	2,804
Total non-operating expenses	19,382	19,482
Ordinary profit	468,834	136,286
Extraordinary income		
Gain on sale of investment securities	21,905	2,482
Total extraordinary income	21,905	2,482
Extraordinary losses		
Loss on sale and retirement of non-current assets	5,989	1,040
Impairment losses	-	253
Dismantlement expenses	3,980	-
Total extraordinary losses	9,969	1,293
Profit before income taxes	480,771	137,475
Income taxes	209,289	78,450
Profit	271,481	59,024
Profit attributable to owners of parent	271,481	59,024

Semi-annual consolidated statement of comprehensive income

(Thousands of yen)

	Six months ended July 31, 2025	Six months ended July 31, 2026
Profit	271,481	59,024
Other comprehensive income		
Valuation difference on available-for-sale securities	10,612	142,315
Revaluation reserve for land	(5,900)	-
Foreign currency translation adjustment	(20,314)	13,152
Remeasurements of defined benefit plans, net of tax	31,890	16,318
Total other comprehensive income	16,288	171,786
Comprehensive income	287,769	230,811
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	287,769	230,811
Comprehensive income attributable to non-controlling interests	-	-

Semi-annual consolidated statement of cash flows

(Thousands of yen)

	Six months ended July 31, 2025	Six months ended July 31, 2026
Cash flows from operating activities		
Profit before income taxes	480,771	137,475
Depreciation	309,906	494,593
Dismantlement expanses	3,980	-
Impairment losses	-	253
Increase (decrease) in provision for bonuses	(1,660)	(34,990)
Increase (decrease) in retirement benefit liability	1,166	4,913
Decrease (increase) in retirement benefit asset	(198,793)	(98,446)
Increase (decrease) in allowance for doubtful accounts	(2,500)	-
Interest expenses	12,069	16,678
Interest and dividend income	(20,632)	(21,242)
Gain on adjustment of account payable	(15,378)	-
Loss (gain) on sale of investment securities	(21,905)	(2,482)
Loss (gain) on sale and retirement of non-current assets	5,989	1,040
Decrease (increase) in trade receivables	3,438,485	4,368,243
Decrease (increase) in inventories	(6,588)	(285,327)
Increase (decrease) in trade payables	236,228	347,682
Other, net	(618,437)	(938,716)
Subtotal	3,602,699	3,989,673
Interest and dividends received	20,307	21,152
Interest paid	(13,975)	(18,521)
Income taxes paid	(138,019)	(91,168)
Net cash provided by (used in) operating activities	3,471,012	3,901,136
Cash flows from investing activities		
Payments into time deposits	(1,500,000)	-
Proceeds from withdrawal of time deposits	1,000,000	-
Proceeds from sale and redemption of securities	499,692	-
Purchase of property, plant and equipment and intangible assets	(1,566,409)	(2,796,589)
Purchase of investment securities	(2,052)	(2,448)
Proceeds from sale and redemption of investment securities	24,317	22,084
Other, net	(5,390)	(20,931)
Net cash provided by (used in) investing activities	(1,549,843)	(2,797,885)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	-	(460,000)
Repayments of long-term borrowings	-	(47,500)
Repayments of lease liabilities	(7,990)	(7,990)
Net decrease (increase) in treasury shares	(396)	39,056
Dividends paid	(315,419)	(202,928)
Net cash provided by (used in) financing activities	(323,807)	(679,362)
Effect of exchange rate change on cash and cash equivalents	(15,373)	10,977
Net increase (decrease) in cash and cash equivalents	1,581,987	434,866
Cash and cash equivalents at beginning of period	3,594,650	2,109,585
Cash and cash equivalents at end of period	5,176,638	2,544,452