Translation

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Summary of Consolidated Financial Results for the Nine Months Ended September 30, 2026 (Based on Japanese GAAP)

November 13, 2026

Company name: SHANON Inc.
Listing: Tokyo Stock Exchange
Stock code: 3976 URL https://shanon.co.jp/
Representative: Hirofumi Yamazaki Representative Director, CEO and COO
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results meeting: None

(Amounts less than one million yen are rounded down)

1.Consolidated financial results for the nine months ended September 30,2026 (from January 1,2026 to September 30,2026)

(1) Consolidated operating results

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
September 30, 2026	2,186	-	470	-	469	-	545	-
July 31, 2025	2,097	(7.8)	0	-	(58)	-	(148)	-

	Earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
September 30, 2026	92.08	-
July 31, 2025	(29.55)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of September 30, 2026	2,439	1,534	62.8
As of December 31, 2025	1,998	986	49.2

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ending December 31, 2025	-	0.00	-	0.00	0.00
Fiscal year ending December 31, 2026	-	0.00	-		
Fiscal year ending December 31, 2026 (Forecast)				20.00	20.00

Note:Revisions to the forecast of cash dividends most recently announced: Yes

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

Percentages indicate year-on-year changes

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	3,000	-	500	-	498	-	600	-	101.25

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

4. Notes

(1)Changes in significant subsidiaries during the period
(changes in specified subsidiaries resulting in the change in scope of consolidation): 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 of prior period financial statements
Changes in accounting policies due to revisions to accounting standards and other regulations: None
Changes in accounting policies due to other reasons: None
Changes in accounting estimates: None
Restatement of prior period financial statements: None

(4) Number of issued shares (common shares)

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

As of September 30, 2026	5,926,200 shares	As of July 31, 2025	5,926,200 shares

Number of treasury shares at the end of the period

As of September 30, 2026	254 shares	As of July 31, 2025	254 shares

Average number of shares during the period

Nine Months Ended September 30, 2026	5,925,946 shares	Nine Months Ended July 31, 2025	5,010,779 shares

*Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm:None

	As of December 31, 2025	As of September 30, 2026
Assets [abstract]		
Current assets [abstract]		
Cash and deposits	1,009,496	1,331,443
Notes and accounts receivable - trade, and contract assets	223,105	231,592
Work in process	21,093	30,232
Other-CA	146,892	150,325
Allowance for doubtful accounts-CA-by group	△93	△254
Current assets	1,400,495	1,743,339
Non-current assets [abstract]		
Property, plant and equipment	90,965	60,331
Intangible assets [abstract]		
Software	256,737	274,127
Software in progress	67,075	69,753
Goodwill	80,745	68,598
Other-IA	5,521	5,788
Intangible assets	410,080	418,268
Investments and other assets	96,410	217,152
Non-current assets	597,456	695,751
Deferred assets	430	－
Assets	1,998,382	2,439,091
Liabilities [abstract]		
Current liabilities [abstract]		
Notes and accounts payable-trade	24,106	19,935
Current portion of long-term borrowings	22,476	19,962
Current portion of bonds payable	40,000	－
Advances received	448,632	578,358
Income taxes payable	32,690	35,554
Provision for bonuses	135,158	58,254
Other-CL	274,368	173,247
Current liabilities	977,431	885,312
Non-current liabilities [abstract]		
Long-term borrowings	34,656	19,466
Non-current liabilities	34,656	19,466
Liabilities	1,012,087	904,778
Net assets [abstract]		
Shareholders' equity [abstract]		
Share capital	1,084,365	100,000
Capital surplus	729,439	886,439
Retained earnings	△840,644	530,864
Treasury shares	△485	△485
Shareholders' equity	972,674	1,516,818
Valuation and translation adjustments [abstract]		
Foreign currency translation adjustment	10,696	14,572
Valuation and translation adjustments	10,696	14,572
Share acquisition rights	2,922	2,922
Non-controlling interests	－	－
Net assets	986,294	1,534,313
Liabilities and net assets	1,998,382	2,439,091

	Nine months ended 31-Jul-25	Nine months ended 30-Sep-26
Net sales	2,097,405	2,186,596
Cost of sales	737,316	693,103
Gross profit (loss)	1,360,088	1,493,492
Selling, general and administrative expenses	1,359,990	1,023,092
Operating profit (loss)	98	470,400
Non-operating income [abstract]		
Interest income-NOI	363	2,752
Dividend income-NOI	503	258
Subsidy income-2-NOI	4,312	2,200
Commission income - NOI	99	99
Other-NOI	161	634
Non-operating income	5,440	5,946
Non-operating expenses [abstract]		
Interest expenses-NOE	1,036	449
Interest expenses on bonds - NOE	179	39
Foreign exchange losses-NOE	60	4,767
Amortization of bond issuance costs - NOE	8,816	430
Loss on cancellation of insurance policies - NOE	33,223	709
Other-NOE	20,244	0
Non-operating expenses	63,559	6,397
Ordinary profit (loss)	△58,021	469,949
Extraordinary losses [abstract]		
Loss on redemption of bonds - LE	61,446	－
Extraordinary losses	61,446	－
Profit (loss) before income taxes	△119,467	469,949
Income taxes-current	3,620	55,028
Income taxes-deferred	25,000	△130,722
Income taxes	28,620	△75,693
Profit (loss) (after amendment dated 2014-03-28)	△148,087	545,643
Profit (loss) attributable to non-controlling interests	－	－
Profit (loss) attributable to owners of parent	△148,087	545,643

	Nine months ended 31-Jul-25	Nine months ended 30-Sep-26
Profit (loss) (after amendment dated 2014-03-28)	△148,087	545,643
Other comprehensive income [abstract]		
Foreign currency translation adjustment, net of tax-OCI	△1,592	3,875
Other comprehensive income	△1,592	3,875
Comprehensive income	△149,680	549,518
Comprehensive income attributable to [abstract]		
Comprehensive income attributable to owners of parent	△149,680	549,518
Comprehensive income attributable to non-controlling interests	—	—