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August 8, 2024

## Consolidated Financial Results for the Three Months Ended June 30, 2024 (Under Japanese GAAP)

Company name: TOWA CORPORATION  
 Listing: Prime Market of Tokyo Stock Exchange  
 Securities code: 6315  
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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, 2024 (from April 1, 2024 to June 30, 2024)

(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, 2024      | 13,253          | 39.3  | 2,212            | 140.3 | 2,420           | 112.5 | 1,690                                   | 115.9 |
| June 30, 2023      | 9,511           | -34.8 | 920              | -67.8 | 1,139           | -64.7 | 782                                     | -66.8 |

[Note] Comprehensive income:

For the three months ended June 30, 2024: ¥2,240 million [-10.1%]

For the three months ended June 30, 2023: ¥2,491 million [-24.3%]

|                    | Basic earnings per share | Diluted earnings per share |
|--------------------|--------------------------|----------------------------|
| Three months ended | Yen                      | Yen                        |
| June 30, 2024      | 67.62                    | —                          |
| June 30, 2023      | 31.29                    | —                          |

### (2) Consolidated Financial Position

|                | Total assets    | Net assets      | Equity-to-asset ratio |
|----------------|-----------------|-----------------|-----------------------|
| As of          | Millions of yen | Millions of yen | %                     |
| June 30, 2024  | 87,049          | 59,676          | 68.6                  |
| March 31, 2024 | 87,861          | 58,435          | 66.5                  |

[Reference] Equity: As of June 30, 2024: ¥59,676 million

As of March 31, 2024: ¥58,435 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, 2024             | —                          | 0.00               | —                 | 40.00           | 40.00 |
| Fiscal year ending March 31, 2025            | —                          |                    |                   |                 |       |
| Fiscal year ending March 31, 2025 (Forecast) |                            | 0.00               | —                 | 60.00           | 60.00 |

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

## 3. Forecast of Consolidated Financial Results for the fiscal year ended March 31, 2025 (from April 1, 2024 to March 31, 2025)

(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                      |
| Interim  | 28,700          | 35.0 | 5,650            | 136.5 | 5,650           | 104.4 | 3,960                                   | 102.2 | 158.41                   |
| Year-end | 60,000          | 18.9 | 12,600           | 45.5  | 12,600          | 38.8  | 8,830                                   | 37.0  | 353.22                   |

[Note] Revisions to the forecast of consolidated financial results 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

- 1) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- 2) Changes in accounting policies due to other reasons: None
- 3) Changes in accounting estimates: None
- 4) Restatement: None

(4) Number of issued shares (common shares)

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

|                      |                   |
|----------------------|-------------------|
| As of June 30, 2024  | 25,043,888 shares |
| As of March 31, 2024 | 25,043,888 shares |

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

|                      |               |
|----------------------|---------------|
| As of June 30, 2024  | 44,592 shares |
| As of March 31, 2024 | 45,079 shares |

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

|                                  |                   |
|----------------------------------|-------------------|
| Three months ended June 30, 2024 | 24,999,042 shares |
| Three months ended June 30, 2023 | 25,019,526 shares |

[Note] The number of treasury shares, at the end of the period, includes our company's shares that are held by Custody Bank of Japan, Ltd. (trust account E) as the trust property under the J-ESOP system. Also, our company's shares that are held by Custody Bank of Japan, Ltd. (trust account E) as the trust property under the J-ESOP system, is included in the number of treasury shares deducted from calculation of the average number of shares.

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

### \* Proper use of earnings forecasts, and other special matters:

1. The above forecasts reflect the Company's judgments and assumptions based on available information as of the announcement date, and therefore are not guarantees of future performance. Actual results may differ substantially from the forecasts for various reasons. For further details regarding the performance forecast, please refer to the attached document on page 3, 【1.Overview of Operating Results (3) Explanation on Forecast Information such as Consolidated Earnings Forecast 】
2. The supplementary material on quarterly financial results is posted on our website.

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## 1. Overview of Operating Results

### (1) Overview of Operating Results

Although the global economy showed a gradual recovery during the first quarter of the consolidated cumulative period with steady capital expenditure and a recovery in demand for consumer goods, it continued to face uncertainties, due to monetary policy by Western countries and geopolitical risks such as the situation in the Middle East.

In the semiconductor industry, capital expenditure remained steady due to the increase in demand for server-related investment with rapid spread of generative AI, as well as the movement towards in-house manufacturing of semiconductor in China. Furthermore, as demand recovers and inventory normalizes, the utilization rates of various semiconductor manufacturers are gradually improving, and a full-fledged recovery in capital expenditure is anticipated in the future.

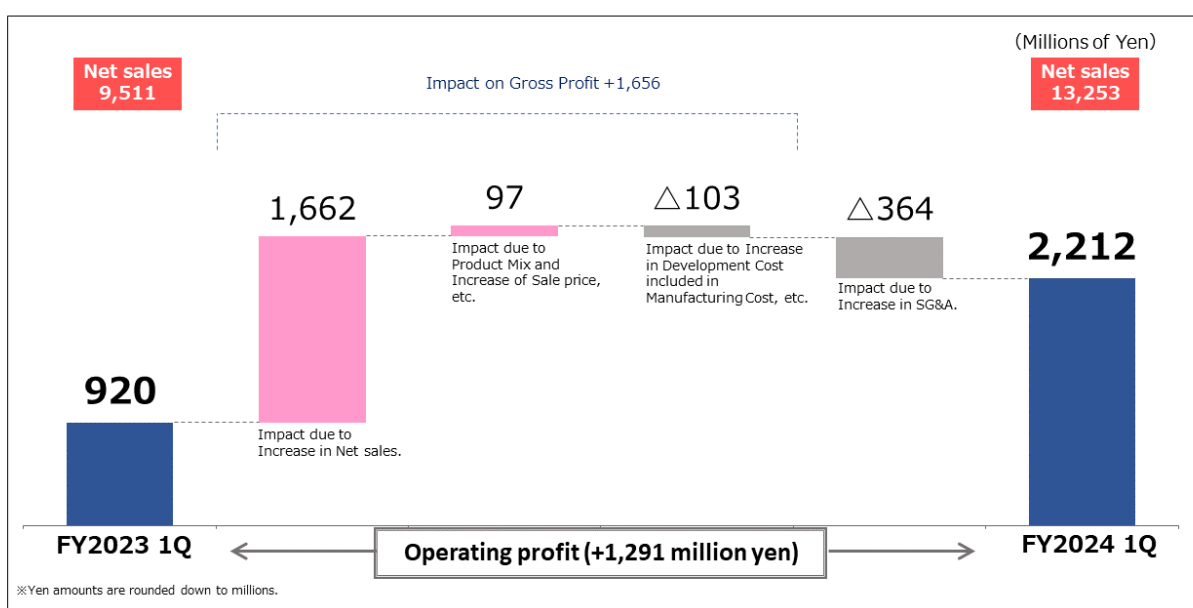
Under these circumstances, our group's performance during the first quarter of the consolidated cumulative period saw an increase in net sales compared to the same period last year, driven by steady investment for in-house manufacturing of semiconductor in China and a gradual recovery in capital expenditure in Taiwan. Regarding to profit, with the increase in net sales, profit of each stage increased compared to the same period last year. Additionally, orders for our original compression equipment and molds in Chinese and Korean regions remained at high levels. As a result, consolidated orders for the first quarter amounted to 13,075 million yen (with orders for compression equipment and molds amounting to 5,572 million yen).

Management performance for the first quarter consolidated cumulative period as follows.

|   |  |
|---|--|
| Net sales                               | 13,253 million yen (year-on-year increase of 3,741 million yen, 39.3%)             |
| Operating profit                        | 2,212 million yen (year-on-year increase of 1,291 million yen, 2.4 times increase) |
| Ordinary profit                         | 2,420 million yen (year-on-year increase of 1,281 million yen, 2.1 times increase) |
| Profit attributable to owners of parent | 1,690 million yen (year-on-year increase of 907 million yen, 2.2 times increase)   |

Main factors of variation in operating profit for the first quarter consolidated cumulative period as follows. (year-on-year comparison)

|   |                            |
|---|----------------------------|
| Impact due to Increase in Net sales   | 1,662 million yen increase |
| Impact due to Product Mix and Increase of Sale price, etc.                      | 97 million yen increase    |
| Impact due to Increase in Development Cost included in Manufacturing Cost, etc. | 103 million yen decrease   |
| Impact due to Increase in SG&A  | 364 million yen decrease   |



Management performance by segment as follows.

[Semiconductor business]

Regarding management performance of semiconductor business, because capital expenditure for in-house manufacturing of semiconductor in China is steady and previously sluggish demand for capital expenditure in Taiwan has bottomed out and is gradually beginning to recover, net sales amounted to 12,258 million yen (year-on-year increase of 3,722 million yen, 43.6%). About the profit, with the increase of net sales, operating profit amounted to 2,164 million yen (year-on-year increase of 1,369 million yen, 2.7 times increase).

[Fine Plastic business]

Regarding management performance of fine plastic business, due to the steady demand in medical molded fine plastic and assembled product, net sales amounted to 569 million yen (year-on-year increase of 20 million yen, 3.8%) and operating profit amounted to 126 million yen (year-on-year decrease of 7 million yen, 5.8%).

[Laser Processing Machine business]

Regarding management performance of laser processing machine business, along with the increase in R&D expenses and personnel expenses for the extension of business, net sales amounted to 424 million yen (year-on-year decrease of 0.9 million yen, 0.2%) and operating loss amounted to 78 million yen (compared to operating loss of 8 million yen in the same period last year).

(2) Overview of Financial Position

Total assets at the end of the first quarter of the consolidated fiscal period were 87,049 million yen, a decrease of 812 million yen compared to the end of the previous consolidated fiscal year. This was due to a decrease in trade receivables, although there was an increase in inventories and non-current assets.

Total liabilities were 27,373 million yen, a decrease of 2,052 million yen compared to the end of the previous consolidated fiscal year, due to the repayment of loan payable and the payment of income taxes.

Net assets were 59,676 million yen, an increase of 1,240 million yen compared to the end of the previous consolidated fiscal year, with an increased foreign currency translation adjustment and other factors, due to the revaluation of net assets of overseas subsidiaries.

As a result, the equity ratio at the end of the first quarter of the consolidated fiscal period was 68.6% (an increase of 2.1 percentage points compared to the end of the previous consolidated fiscal year).

(3) Explanation on Forecast Information such as Consolidated Earnings Forecast

Regarding to consolidated performance forecast, there is no modification in second quarter of the consolidated cumulative period and full-year consolidated performance forecast, stated in 'Consolidated Financial Results for the Fiscal Year Ended March 31, 2024 (Under Japanese GAAP)' announced on May 10, 2024

2. Quarterly Consolidated Financial Statements and Main Notes  
(1) Quarterly Consolidated Balance Sheets

|   | Thousands of yen                                |   |
|---|---|---|
|   | Previous fiscal year<br>As of March 31,<br>2024 | Current 1st Quarter<br>As of June 30,<br>2024 |
| <b>Assets</b>                                     |   |   |
| Current assets                                    |   |   |
| Cash and deposits                                 | 20,830,999                                      | 21,969,548                                    |
| Notes and accounts receivable–trade               | 15,135,664                                      | 11,193,096                                    |
| Electronically recorded monetary claims–operating | 345,054   | 385,446                                       |
| Merchandise and finished goods                    | 4,110,721                                       | 4,376,553                                     |
| Work in process                                   | 10,041,146                                      | 10,170,145                                    |
| Raw materials and supplies                        | 1,699,212                                       | 1,891,859                                     |
| Other   | 1,550,660                                       | 1,333,895                                     |
| Allowance for doubtful accounts                   | (2,363)   | (2,429)                                       |
| Total Current assets                              | 53,711,096                                      | 51,318,115                                    |
| Non–current assets                                |   |   |
| Property, plant and equipment                     |   |   |
| Buildings and structures                          | 22,106,434                                      | 23,240,027                                    |
| Accumulated depreciation                          | (13,065,298)                                    | (13,398,118)                                  |
| Buildings and structures, net                     | 9,041,135                                       | 9,841,908                                     |
| Machinery, equipment and vehicles                 | 17,554,193                                      | 18,390,040                                    |
| Accumulated depreciation                          | (11,954,563)                                    | (12,415,878)                                  |
| Machinery, equipment and vehicles, net            | 5,599,630                                       | 5,974,162                                     |
| Land  | 5,289,066                                       | 6,895,574                                     |
| Leased assets                                     | 1,594,823                                       | 1,675,609                                     |
| Accumulated depreciation                          | (440,008)                                       | (480,195)                                     |
| Leased assets, net                                | 1,154,815                                       | 1,195,413                                     |
| Construction in progress                          | 232,675   | 250,042                                       |
| Other   | 4,852,823                                       | 5,006,426                                     |
| Accumulated depreciation                          | (4,002,437)                                     | (4,149,851)                                   |
| Other, net  | 850,385   | 856,574                                       |
| Total Property, plant and equipment               | 22,167,709                                      | 25,013,676                                    |
| Intangible assets                                 | 1,329,271                                       | 1,347,835                                     |
| Investments and other assets                      |   |   |
| Retirement benefit asset                          | 641,147   | 656,097                                       |
| Other   | 10,012,608                                      | 8,713,445                                     |
| Total Investments and other assets                | 10,653,756                                      | 9,369,543                                     |
| Total Non–current assets                          | 34,150,736                                      | 35,731,056                                    |
| <b>Total Assets</b>                               | 87,861,833                                      | 87,049,171                                    |

|   | Thousands of yen                                |   |
|---|---|---|
|   | Previous fiscal year<br>As of March 31,<br>2024 | Current 1st Quarter<br>As of June 30,<br>2024 |
| <b>Liabilities</b>                                      |   |   |
| Current liabilities                                     |   |   |
| Notes and accounts payable–trade                        | 3,834,249                                       | 3,815,460                                     |
| Electronically recorded obligations- operating          | 36,252  | 21,680  |
| Short–term borrowings                                   | 9,400,000                                       | 9,400,000                                     |
| Current portion of long–term borrowings                 | 1,560,000                                       | 1,410,000                                     |
| Income taxes payable                                    | 1,827,856                                       | 673,613                                       |
| Provision for product warranties                        | 307,882   | 314,088                                       |
| Provision for bonuses                                   | 986,299   | 697,691                                       |
| Provision for bonuses for directors(and other officers) | 98,443  | 19,238  |
| Other   | 5,146,816                                       | 5,165,803                                     |
| Total Current liabilities                               | 23,197,801                                      | 21,517,575                                    |
| Non–current liabilities                                 |   |   |
| Long–term borrowings                                    | 2,490,000                                       | 2,210,000                                     |
| Retirement benefit liability                            | 933,297   | 980,830                                       |
| Provision for share awards                              | 40,497  | 53,178  |
| Other   | 2,764,332                                       | 2,611,560                                     |
| Total Non–current liabilities                           | 6,228,128                                       | 5,855,569                                     |
| <b>Total Liabilities</b>                                | 29,425,930                                      | 27,373,145                                    |
| <b>Net assets</b>                                       |   |   |
| Shareholders' equity                                    |   |   |
| Share capital   | 8,955,671                                       | 8,955,671                                     |
| Capital surplus   | 450,981   | 450,981                                       |
| Retained earnings                                       | 38,359,732                                      | 39,048,943                                    |
| Treasury shares   | (115,191)                                       | (113,951)                                     |
| Total Shareholders' equity                              | 47,651,194                                      | 48,341,645                                    |
| Accumulated other comprehensive income                  |   |   |
| Valuation difference on available–for–sale securities   | 6,013,298                                       | 4,933,615                                     |
| Foreign currency translation adjustment                 | 4,642,014                                       | 6,286,373                                     |
| Remeasurements of defined benefit plans                 | 129,394   | 114,391                                       |
| Total Accumulated other comprehensive income            | 10,784,708                                      | 11,334,380                                    |
| Total Net assets  | 58,435,903                                      | 59,676,025                                    |
| <b>Total Liabilities and net assets</b>                 | 87,861,833                                      | 87,049,171                                    |

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

|  | Thousands of yen   |   |
|--|--|---|
|  | Previous 1st Quarter<br>From April 1, 2023<br>to June 30, 2023 | Current 1st Quarter<br>From April 1, 2024<br>to June 30, 2024 |
| Net sales                                    | 9,511,078  | 13,253,020  |
| Cost of sales                                | 6,393,606  | 8,479,218   |
| Gross profit                                 | 3,117,472  | 4,773,802   |
| Selling, general and administrative expenses | 2,196,555  | 2,561,157   |
| Operating profit                             | 920,916  | 2,212,644   |
| Non-operating income                         |  |   |
| Interest income                              | 21,633   | 22,016  |
| Dividend income                              | 63,000   | 53,742  |
| Foreign exchange gains                       | 121,429  | 75,516  |
| Miscellaneous income                         | 41,996   | 88,963  |
| Total Non-operating income                   | 248,060  | 240,239   |
| Non-operating expenses                       |  |   |
| Interest expenses                            | 18,136   | 20,322  |
| Depreciation of assets for rent              | 7,423  | 8,075   |
| Miscellaneous losses                         | 4,135  | 3,818   |
| Total Non-operating expenses                 | 29,695   | 32,216  |
| Ordinary profit                              | 1,139,282  | 2,420,667   |
| Extraordinary income                         |  |   |
| Gain on sale of non-current assets           | 1,694  | -   |
| Total Extraordinary income                   | 1,694  | -   |
| Extraordinary losses                         |  |   |
| Loss on sale of non-current assets           | -  | 98  |
| Loss on retirement of non-current assets     | 204  | 2,913   |
| Loss on valuation of investment securities   | -  | 6,341   |
| Total Extraordinary losses                   | 204  | 9,353   |
| Profit before income taxes                   | 1,140,771  | 2,411,313   |
| Income taxes                                 | 357,825  | 720,914   |
| Profit                                       | 782,946  | 1,690,398   |
| Profit attributable to owners of parent      | 782,946  | 1,690,398   |



(Quarterly Consolidated Statement of Comprehensive Income)

|   | Thousands of yen   |   |
|---|--|---|
|   | Previous 1st Quarter<br>From April 1, 2023<br>to June 30, 2023 | Current 1st Quarter<br>From April 1, 2024<br>to June 30, 2024 |
| Profit  | 782,946  | 1,690,398   |
| Other comprehensive income                            |  |   |
| Valuation difference on available-for-sale securities | 680,273  | (1,079,683)   |
| Foreign currency translation adjustment               | 1,032,477  | 1,644,358   |
| Remeasurements of defined benefit plans               | (3,887)  | (15,003)  |
| Total Other comprehensive income                      | 1,708,863  | 549,671   |
| Comprehensive income                                  | 2,491,810  | 2,240,070   |
| Comprehensive income attributable to                  |  |   |
| Comprehensive income attributable to owners of parent | 2,491,810  | 2,240,070   |

(3)Notes to Consolidated Quarterly Financial Statements

(Notes Related to Going Concern Assumption)

No applicable matters to report.

(Notes Related to Significant Changes in Shareholders' Equity)

No applicable matters to report.

(Notes to Quarterly statement of Cash Flows)

The Company has not prepared a quarterly statement of cash flows for the three months ended June 30,2024.

Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30,2024 is as follows.

(Thousands of yen)

|                          | Previous 1st Quarter<br>From April 1, 2023<br>to June 30, 2023 | Current 1st Quarter<br>From April 1, 2024<br>to June 30, 2024 |
|--------------------------|--|---|
| Depreciation expense     | 606,540  | 631,369   |
| Amortization of goodwill | 35,278   | 38,438  |

(Segment and Other Information)

I Previous 1st Quarter (From April 1, 2023 to June 30, 2023)

1.Information on net sales, profit or loss by reportable segment

(Thousands of yen)

|                                      | Semiconductor<br>Manufacturing<br>Equipment<br>Business | Fine Plastic<br>Molded<br>Products<br>Business | Laser<br>Processing<br>Equipment<br>Business | Total     |
|--------------------------------------|---|--|--|-----------|
| Sales                                |   |  |  |           |
| (1) Sales to external customers      | 8,536,910   | 548,480  | 425,686                                      | 9,511,078 |
| (2) Inter-segment sales or transfers | -   | -  | -  | -         |
| Total                                | 8,536,910   | 548,480  | 425,686                                      | 9,511,078 |
| Segment profit(loss)                 | 795,638   | 133,971  | (8,693)                                      | 920,916   |

(Note) The total amount of segment profit (loss) is consistent with operating income in the consolidated statement of income.

2.Information related to impairment losses of non-current assets, goodwill, etc. for each reportable segment

(Significant change in goodwill)

In the 1st quarter (From April 1, 2023 to June 30, 2023), Amount of goodwill incurred for semiconductor manufacturing equipment business is 183,607 thousands yen through acquisition of the mold manufacturing business of K-Tool Engineering Sdn. Bhd.

II Current 1st Quarter (From April 1, 2024 to June 30, 2024)

1. Information on net sales, profit or loss by reportable segment

(Thousands of yen)

|                                       | Semiconductor<br>Manufacturing<br>Equipment<br>Business | Fine Plastic<br>Molded<br>Products<br>Business | Laser<br>Processing<br>Equipment<br>Business | Total      |
|---------------------------------------|---|--|--|------------|
| Sales                                 |   |  |  |            |
| (1) Sales to external customers       | 12,258,969  | 569,358  | 424,692                                      | 13,253,020 |
| (2) Inter-segment sales and transfers | -   | -  | -  | -          |
| Total                                 | 12,258,969  | 569,358  | 424,692                                      | 13,253,020 |
| Segment profit(loss)                  | 2,164,855   | 126,173  | (78,384)                                     | 2,212,644  |

(Note) The total amount of segment profit (loss) is consistent with operating income in the consolidated statement of income.

2. Information related to impairment losses of non-current assets, goodwill, etc. for each reportable segment

There were no significant impairment losses on non-current assets and changes goodwill in the reported segments for the three months ended June 30, 2024.