



Grow the new Story.  
New logistics, nurturing a new society together.

# **SG Holdings Co., Ltd.**

## **Results Presentation for FY2026/3 Q1**

**August 8, 2025**

<b>1.</b>	<b>Summary of results for FY2026/3 Q1</b>	<b>1–7</b>
2.	Earnings forecast for FY2026/3	8–15
3.	Initiatives for FY2026/3	16–22
4.	Appendix	23–37

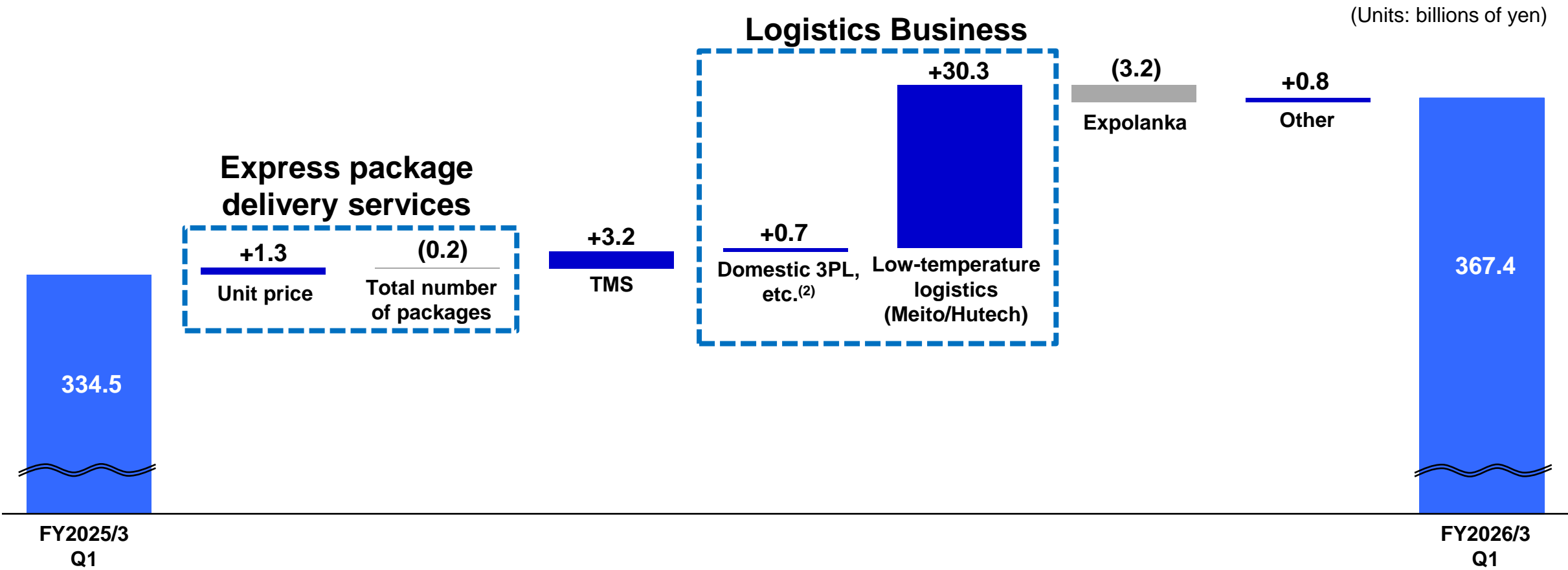
# Summary of Consolidated Financial Results

➤ Consolidated results for FY2026/3 Q1 progressed as planned. Income was slightly higher than planned.

(Units: billions of yen)	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)	vs. Plan: Generally as planned. Income was slightly higher than planned.
Operating revenue	334.5	367.4	+ 32.8	109.8%	<ul style="list-style-type: none"> <li>Delivery: Progressed as planned. The number of packages turned positive YoY from June</li> <li>Logistics: Both domestic 3PL and Meito/Hutech<sup>(1)</sup> progressed better than expected</li> <li>Global Logistics<sup>(2)</sup>: Although there were significant fluctuations in ocean and air freight rates, sale prices and procurement costs were appropriately controlled. The plan took seasonal factors into account and was expected to result in a deficit, but ended up making a profit. Volume was generally as expected. There were no major negative impacts from U.S. tariffs</li> </ul>
Operating income [Operating margin]	19.5 [ 5.8% ]	17.4 [ 4.8% ]	(2.0)	89.5%	<b>YoY: Income decreased due to upfront costs in the Delivery Business (as planned)</b> <ul style="list-style-type: none"> <li>Delivery: Although the number of packages decreased overall mainly due to BtoC, BtoB is on a recovery trend. Average unit price increased. Q1 saw a decline in income due to upfront increases in costs such as an increase in the unit price of consignment</li> <li>Logistics: Revenue and income increased due to factors such as the recording of Q1 results of Meito/Hutech. In domestic 3PL, revenue and income expanded through receipt of appropriate fee and productivity improvements</li> <li>Global Logistics: The volume of ocean cargo increased due to the retention of new customers, while freight rates remained at the same level as the previous year. Air cargo remained stable, although both volume and freight tariffs were slightly lower than the previous year</li> </ul>
Ordinary income	19.4	17.8	(1.6)	91.8%	
Net income attributable to owners of the parent	12.4	10.1	(2.2)	81.8%	

**Notes** (1) A collective term for Group companies engaged in low-temperature logistics in the Logistics Business.  
 (2) Based on the direction of business strategies to realize the long-term vision and the difference in profitability of each business, the previous classification of business segments has been changed from FY2026/3. For details, see page 36. Results for FY2025/3 are figures classified according to the new business segments (the same applies hereinafter).

# Analysis of Changes in Operating Revenue



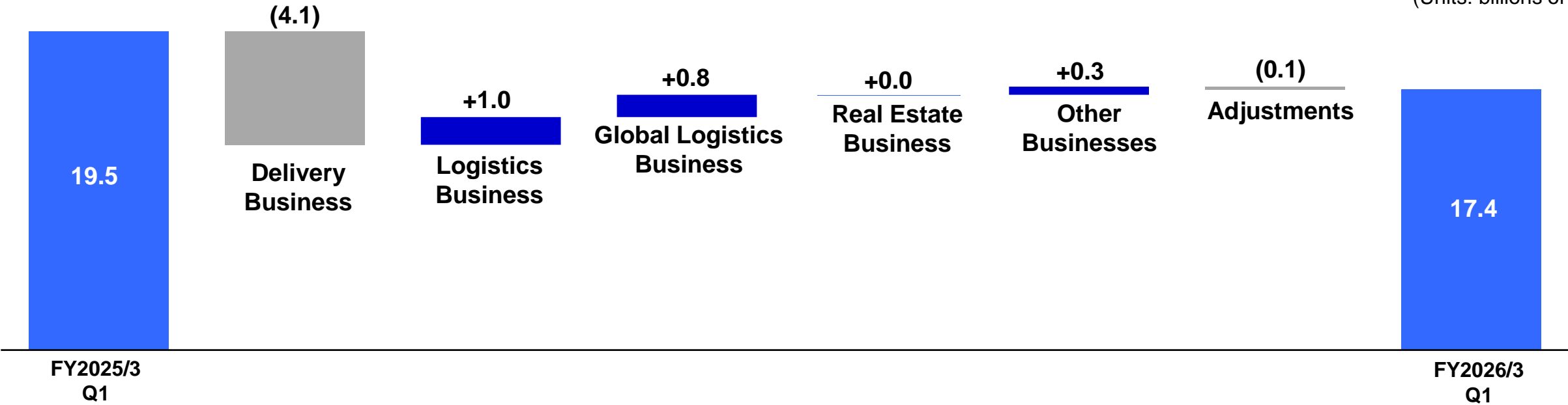
**[Express package delivery services, TMS]**

- Average unit price : 659 yen [+5 yen YoY]
- Total number of packages : 326 million packages [YoY 99.9%]
- TMS sales : 32.5 billion yen [YoY 111.1%]

**Notes** (1) Amounts less 100 million yen are rounded down. (2) Excluding TMS.

# Analysis of Changes in Operating Income

(Units: billions of yen)



Delivery Business	Logistics Business	Global Logistics Business
<ul style="list-style-type: none"> <li>Operating revenue +4.2 billion yen</li> <li>- Impact of average unit price +1.3 billion yen</li> <li>- Impact of number of packages (0.2) billion yen</li> <li>- TMS sales +3.2 billion yen</li> <li>• Personnel expenses +1.8 billion yen</li> <li>• Outsourcing expenses +4.9 billion yen</li> <li>* See page 28 for details of expenses</li> </ul>	[Low-temperature logistics] Meito/Hutech <ul style="list-style-type: none"> <li>Operating income +1.9 billion yen</li> <li>• Amortization of goodwill, etc. +1.1 billion yen</li> <li>• Royalty expenses +0.2 billion yen</li> </ul>	[Expolanka] <ul style="list-style-type: none"> <li>Operating income +0.7 billion yen</li> </ul>

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Changes in expenses represent the YoY change for the same period. (3) TMS sales includes TMS sales from both the Logistics Business and the Global Logistics Business. (4) Changes in operating income for Meito/Hutech and Expolanka do not include amortization of goodwill etc. and royalty expenses.

## Results by Segment

(Units: billions of yen)	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)
<b>Total operating revenue</b>	334.5	367.4	+ 32.8	109.8%
Delivery Business	247.4	251.7	+ 4.2	101.7%
Logistics Business	20.5	51.3	+ 30.8	250.1%
Global Logistics Business	52.4	49.4	(2.9)	94.4%
Real Estate Business	1.7	1.7	(0.0)	99.8%
Other Businesses	12.3	13.0	+ 0.7	105.9%
<b>Total operating income</b>	19.5	17.4	(2.0)	89.5%
Delivery Business	17.8	13.7	(4.1)	76.9%
Logistics Business	0.8	1.9	+ 1.0	221.9%
Global Logistics Business	(0.6)	0.1	+ 0.8	—
Real Estate Business	1.1	1.2	+ 0.0	102.8%
Other Businesses	0.3	0.6	+ 0.3	182.4%
Adjustments	(0.0)	(0.2)	(0.1)	—

### ■ Breakdown of increase/decrease in operating income

#### • Delivery Business:

- Average unit price rose due to efforts such as receiving appropriate freight tariffs
- Although operating income declined from previous fiscal year due to a slight YoY decrease in the number of packages and an upfront cost increase such as rising unit price of consignment, operating income was in line with the plan

#### • Logistics Business:

- Effect of consolidation of low-temperature logistics (Meito/Hutech)
- Receipt of appropriate fee and improvement of profitability in existing domestic 3PL

#### • Global Logistics Business:

- Particularly ocean cargo volume increased due to factors such as the retention of new customers
- Although wage levels were revised in line with price increases at each overseas location, the business became profitable due to the receipt of appropriate fees through price negotiations and efficiency improvements achieved through the reorganization of locations implemented in the previous fiscal year
- The impact of exchange rates was approximately -3.5 billion yen for operating revenue and approximately -0.2 billion yen for operating income

#### • Real Estate Business:

- Progressed as planned

#### • Other Businesses:

- Sales of new vehicles such as large trucks increased

#### • Adjustments:

- Recording of advisory expenses for M&A of Meito/Hutech in the previous fiscal year, and Morrison<sup>(2)</sup> in the current fiscal year

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Refers to Morrison Express Worldwide Corporation, which was acquired in May 2025.

# Consolidated Statement of Cash Flows

(Units: billions of yen)	FY2025/3 Q1	FY2026/3 Q1
Cash flows from operating activities	27.9	30.2
Cash flows from investing activities	(9.3)	(133.9)
Free cash flows <sup>(2)</sup>	18.5	(103.7)
Cash flows from financing activities	(21.1)	84.1
Net increase (decrease) in cash and cash equivalents	(0.5)	(19.8)
Cash and cash equivalents at the end of period <sup>(3)</sup>	146.7	96.9

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Free cash flows = cash flows from operating activities + cash flows from investing activities. (3) The balance does not match the amount of cash and deposits on the consolidated balance sheet due to the existence of time deposits with maturities exceeding three months as of FY2026/3 Q1.

# Consolidated Balance Sheet

	FY2025/3	FY2026/3 Q1
(Units: billions of yen)		
Current assets	370.5	369.3
Cash and deposits	116.8	98.8
Accounts receivable and other receivables	201.5	217.7
Inventories	27.6	27.4
Other current assets	24.4	25.3
Non-current assets	670.0	784.2
Property, plant and equipment	488.5	497.0
Goodwill	64.6	165.2
Other non-current assets	116.8	122.0
Total assets	1,040.6	1,153.6

	FY2025/3	FY2026/3 Q1
(Units: billions of yen)		
Liabilities	456.0	627.2
Accounts payable	87.6	89.0
Interest-bearing debt	205.3	364.1
Other	163.0	174.1
Net assets	584.5	526.3
Portion attributable to owners of the parent	580.1	522.1
Non-controlling interests	4.4	4.2
Total liabilities and net assets	1,040.6	1,153.6
Equity ratio	55.8%	45.3%

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Morrison, which was acquired during the Q1, is consolidated only on the balance sheet and is not included in the consolidated results for Q1.



1.	Summary of results for FY2026/3 Q1	1–7
2.	<b>Earnings forecast for FY2026/3</b>	<b>8–15</b>
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4.	Appendix	23–37

# Consolidated Earnings and Dividend Forecast

➤ Revised upward from the consolidated earnings forecast announced in May 9, 2025. Morrison’s results included in consolidated results from Q2

(Units: billions of yen)	FY2025/3 results	FY2026/3 previous earnings forecast <small>(Announced on May 9, 2025)</small>	FY2026/3 earnings forecast	YoY change	YoY (%)	Difference from previous forecast	Comparison with previous forecast
Operating revenue	1,479.2	1,629.0	1,653.0	+ 173.7	112%	+ 24.0	101%
Operating income [Operating margin]	87.8 [ 5.9% ]	91.0 [ 5.6% ]	92.0 [ 5.6% ]	+ 4.1	105%	+ 1.0	101%
Ordinary income	88.8	88.0	90.0	+ 1.1	101%	+ 2.0	102%
Net income attributable to owners of the parent	58.1	57.0	57.0	(1.1)	98%	—	100%
ROE	10.0%	10.3%	10.3%	+ 0.3pt	—	—	—
ROIC	8.2%	6.9%	7.0%	(1.2)pt	—	+ 0.1pt	—

(Units: yen)								
Dividend per share	Interim	26	26	26	+ 1	—	—	—
	Year-end	26	27	27				
	Total	52	53	53				

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) The amortization of goodwill is calculated based on the amount of goodwill that has been provisionally recorded because the allocation of acquisition costs in the amount of goodwill that arose on the acquisition of Morrison’s shares has not been completed as of the end of the current Q1 consolidated accounting period (and the same thereafter).

## Overview of Revision of Earnings Forecast for FY2026/3

### Operating revenue and operating income were both revised upward

- Delivery Business : (—) No revision due to Q1 results being in line with forecasts.  
We will continue to work toward achieving our forecast and expanding revenue
- Logistics Business : (↗) Operating revenue was revised downward, taking into account the impact of the equity interest transfer of Shanghai Runbow Logistics & Technology Co., Ltd. (“RUNBOW”) <sup>(1)</sup> a company engaged in 3PL business based in Shanghai. Operating income was revised upward to reflect higher-than-expected Q1 results of the domestic 3PL business and Meito/Hutech
- Global Logistics Business : (↗) Operating revenue was revised upward because the recording of Morrison’s performance moved forward to Q2. Operating income was also revised upward because of this advance recording, the results of Global Logistics Business for Q1, and other factors. We will continue to monitor the impact of tariff measures by the U.S. and other countries on international logistics. Although there has been some impact from lower air and ocean freight rates, inquiries from customers remain steady and there were no significant negative impacts at this point.
- Real Estate Business : (—) No revision
- Other Businesses : (—) No revision

### Net income attributable to owners of the parent remained unchanged

- Incorporated extraordinary loss associated with the equity interest transfer of RUNBOW
- However, net income remained unchanged. This is because operating income exceeded the plan, ordinary income increased due to exchange rate fluctuations, and the proceeds from the sale of idle real estate, etc.

**Note** (1) For details regarding the equity interest transfer of RUNBOW, please refer to the “Notice of Change (Transfer of Equity Interests) in Second-Tier Subsidiaries in Subsidiaries, etc. and Change in Consolidated Subsidiaries” announced on August 8, 2025.

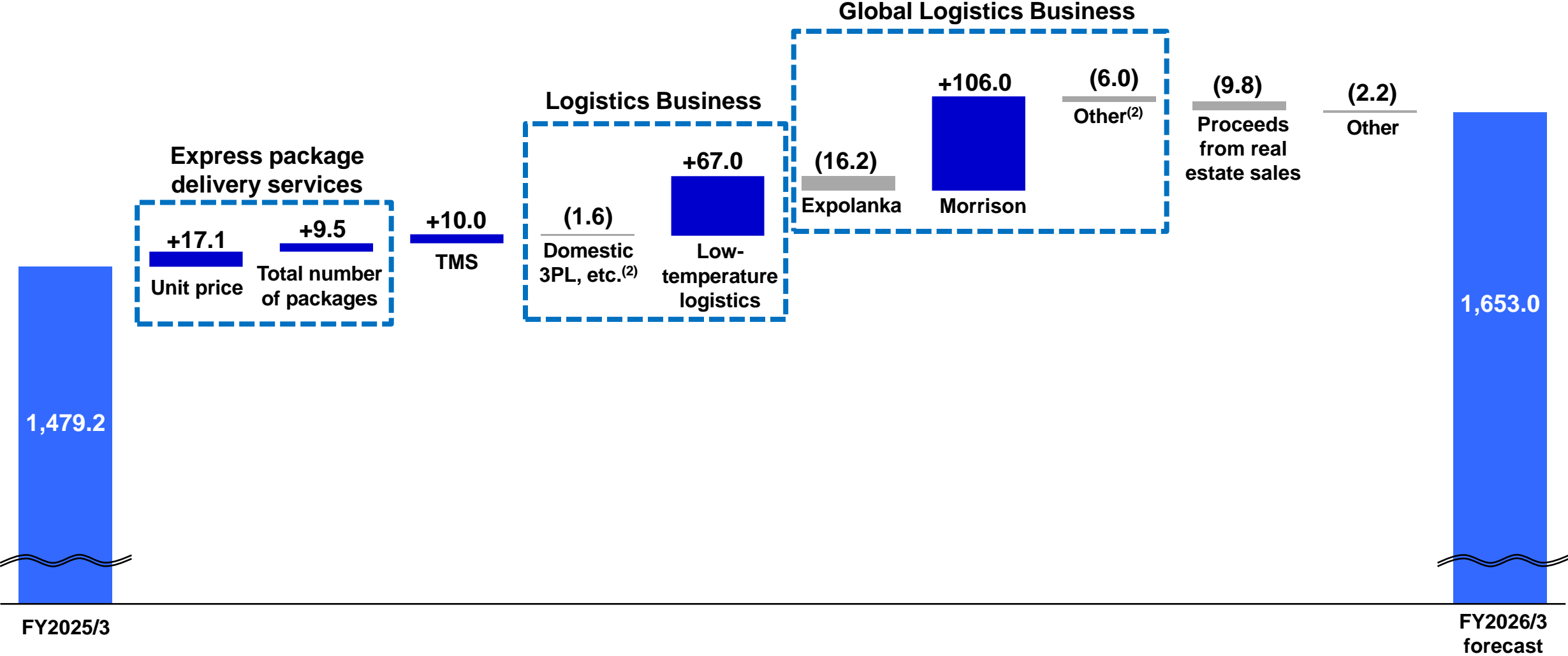
# Earnings Forecast by Segment

	FY2025/3 results	FY2026/3 previous earnings forecast (Announced on May 9, 2025)	FY2026/3 earnings forecast	YoY change	YoY (%)	Difference from previous forecast	Comparison with previous forecast
(Units: billions of yen)							
Total operating revenue	1,479.2	1,629.0	1,653.0	+ 173.7	112%	+ 24.0	101%
Delivery Business	1,003.0	1,040.0	1,040.0	+ 36.9	104%	—	100%
Logistics Business	143.0	215.0	208.0	+ 64.9	145%	(7.0)	97%
Global Logistics Business	256.3	309.0	340.0	+ 83.6	133%	+ 31.0	110%
Real Estate Business	23.9	14.0	14.0	(9.9)	58%	—	100%
Other Businesses	52.7	51.0	51.0	(1.7)	97%	—	100%
Total operating income	87.8	91.0	92.0	+ 4.1	105%	+ 1.0	101%
Delivery Business	68.3	70.0	70.0	+ 1.6	102%	—	100%
Logistics Business	4.2	5.0	5.5	+ 1.2	130%	+ 0.5	110%
Global Logistics Business	3.5	4.0	4.5	+ 0.9	127%	+ 0.5	113%
Real Estate Business	10.5	8.5	8.5	(2.0)	81%	—	100%
Other Businesses	1.8	2.0	2.0	+ 0.1	106%	—	100%
Adjustments	(0.6)	1.5	1.5	+ 2.1	—	—	100%

**Note** (1) Amounts less than 100 million yen are rounded down.

# Analysis of Changes in Operating Revenue Forecast

(Units: billions of yen)



**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Excluding TMS.

# Analysis of Changes in Operating Income Forecast

(Units: billions of yen)



## Delivery Business

- Operating revenue +36.9 billion yen
- Impact of average unit price +17.1 billion yen
- Impact of number of packages +9.5 billion yen
- TMS sales +10.0 billion yen
- Personnel expenses +5.1 billion yen
- Outsourcing expenses +27.7 billion yen
- \* See page 15 for details of expenses

## Logistics Business

- [Low-temperature logistics] Meito/Hutech
- Operating income +3.9 billion yen
- Amortization of goodwill, etc. +2.2 billion yen
- Royalty expenses +0.8 billion yen

## Global Logistics Business

- [Expolanka]
- Operating income (0.1) billion yen
- [Morrison]
- Operating income +4.5 billion yen
- Amortization of goodwill, etc. +3.8 billion yen

## Real Estate Business

- Impact of proceeds from real estate sales
- Proceeds from real estate sales (1.5) billion yen

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Changes in expenses represent YoY differences. (3) TMS sales include TMS sales from the Logistics Business and Global Logistics Business. (4) Changes in operating income for Meito/Hutech, Expolanka, and Morrison do not include amortization of goodwill etc. and royalty expenses.

# Consolidated Earnings Forecast (FY2026/3 H1)

	FY2025/3 H1 results	FY2026/3 H1 previous earnings forecast <small>(Announced on May 9, 2025)</small>	FY2026/3 H1 earnings forecast	YoY change	YoY (%)	Difference from previous forecast	Comparison with previous forecast
(Units: billions of yen)							
Operating revenue	708.0	762.5	793.5	+ 85.4	112%	+ 31.0	104%
Operating income [Operating margin]	39.1 [ 5.5% ]	36.0 [ 4.7% ]	37.0 [ 4.7% ]	(2.1)	95%	+ 1.0	103%
Ordinary income	38.7	34.5	36.5	(2.2)	94%	+ 2.0	106%
Net income attributable to owners of the parent	25.4	21.0	21.0	(4.4)	82%	—	100%

**Note** (1) Amounts less than 100 million yen are rounded down.

# Assumptions for the Consolidated Earnings Forecast

- Consolidated operating expenses were revised due to revision of the consolidated earnings forecast. The full-year forecast for operating expenses in the Delivery Business have been newly disclosed
- For Meito/Hutech in the low-temperature logistics area, operating income has increased from previous forecast assumptions as we included royalty expenses (approx. 0.8 billion yen) paid to SG Holdings. Also, reflected the upside in the Q1 results (approx. 0.2 billion yen)

		Assumptions for FY2026/3 earnings forecast	YoY change/ YoY (%)			Assumptions for FY2026/3 earnings forecast	YoY (%)	Comparison with previous forecast
Express package delivery service <sup>(1)</sup> ・TMS	Average unit price	674 yen	+ 13 yen	Consolidated operating expenses	Personnel expenses	507.5 billion yen	111%	100%
	Total number of packages	13.2 billion packages	101%		Outsourcing expenses	817.5 billion yen	116%	103%
	TMS sales	135.0 billion yen	108%		Depreciation and amortization	45.5 billion yen	112%	99%
Meito/Hutech <sup>(2)</sup> (Low-temperature logistics)	Operating revenue	126.0 billion yen	106%		Other expenses <sup>(5)</sup>	190.5 billion yen	99%	101%
	Operating income <sup>(3)</sup>	6.4 billion yen	114%	Delivery Business operating expenses	Personnel expenses	350.0 billion yen	101%	—
Expolanka <sup>(4)</sup>	Operating revenue	200.0 billion yen	92%		Outsourcing expenses	520.0 billion yen	106%	—
	Operating income	4.0 billion yen	97%		Depreciation and amortization	26.0 billion yen	109%	—
	Volume	Air 150kt	105%		Other expenses <sup>(5)</sup>	118.0 billion yen	102%	—
		Ocean 200kTEU	110%	Exchange rate	JPY/USD	1\$=140 yen		
Morrison (from July 2025 to March 2026)	Operating revenue	106.0 billion yen	—					
	Operating income <sup>(3)</sup>	4.5 billion yen	—					
	Volume	Air 120kt	—					
		Ocean 60kTEU	—					

**Notes** (1) The number of packages and average unit price are figures after the change in the scope of aggregation (see page 37 for the change of scope of aggregation). (2) YoY is for reference only as it is calculated based on the full-year results that includes the results before the consolidation into the Group. (3) Excludes amortization of goodwill etc. and royalty expenses. (4) Expolanka's earnings are based on IFRS accounting standards. (5) "Other" includes fuel expenses.



1.	Summary of results for FY2026/3 Q1	1– 7
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## Basic Policy of “SGH Story 2027”

More Advanced Total Logistics and Expansion of Global Logistics Infrastructure

### Key Strategies

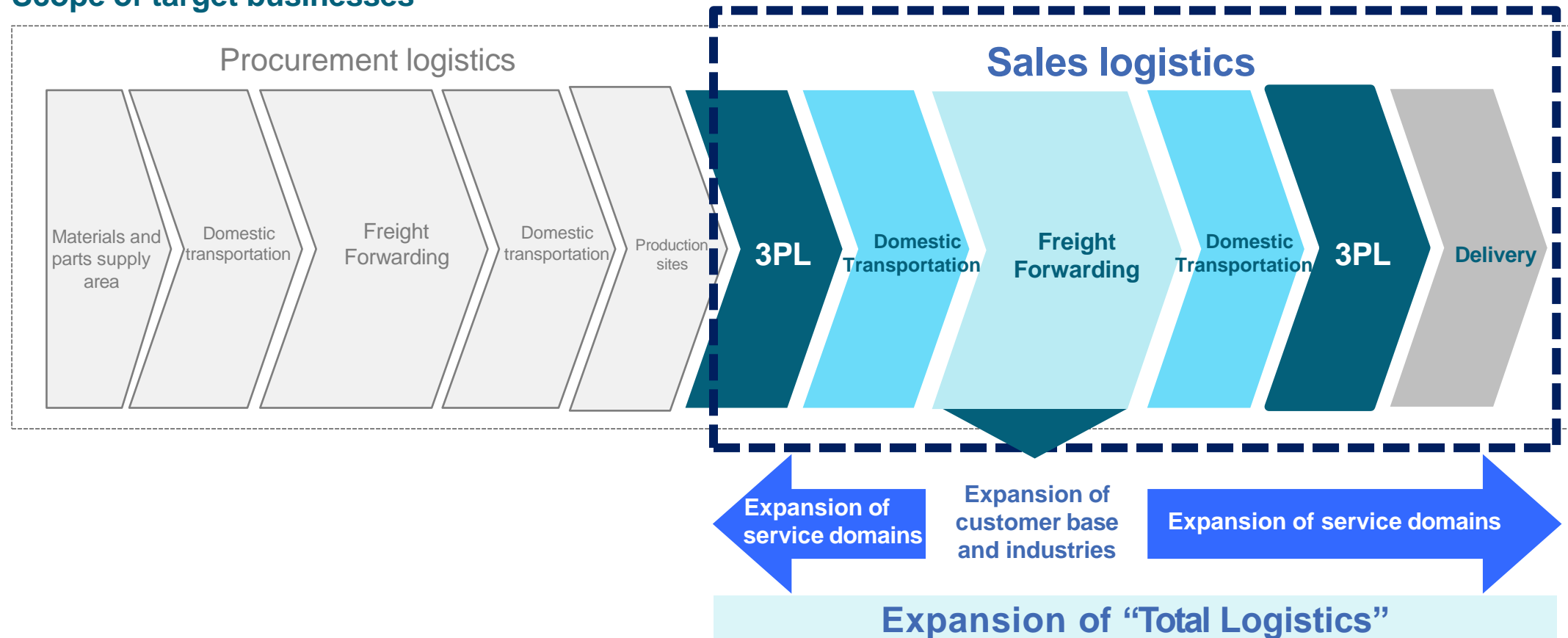


# Direction of Expansion of Global Logistics Infrastructure

## Key Strategies④

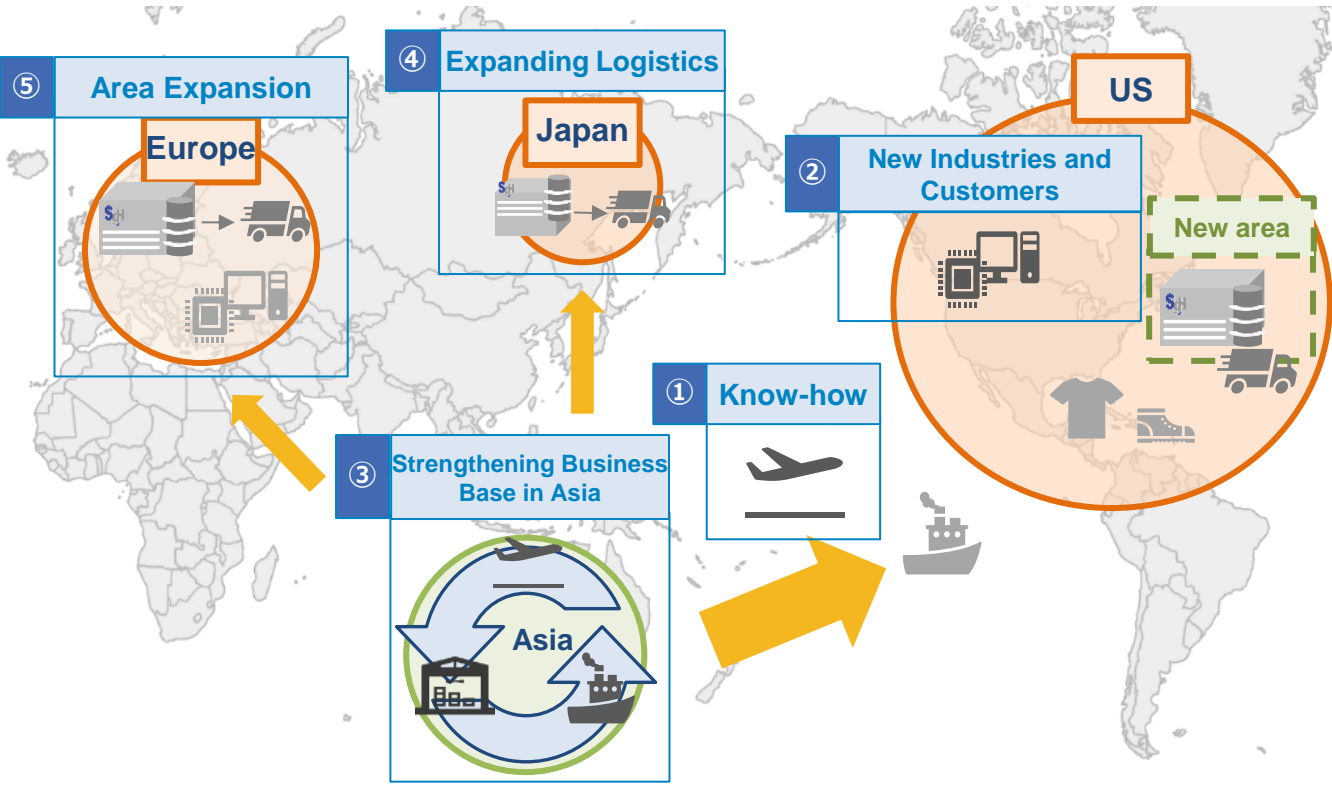
- Acquiring a customer base by targeting the sales logistics (origin 3PL to destination) area of customers' supply chains
- Expansion of business scale and profitability through expansion of industries, service domains, and areas covered, including inorganic strategies
- As part of drawing up this strategy, we acquired shares in Morrison, a global freight forwarder based in Taiwan. Closing completed on May 20, 2025, 40 days earlier from the original SPA schedule. B/S consolidated from Q1, and consolidation of P/L will start from Q2

### Scope of target businesses



# Initiatives Aimed at Strengthening Global Logistics Key Strategies④

- Morrison joining the Group has led to progress in acquiring know-how, expanding networks and industries
- Going forward, we plan to **strengthen the business base in Asia**, **strengthen Asia-North America lanes**, which have been a strength of EFL<sup>(1)</sup>, and **expand our service areas in Europe and other areas** by leveraging the customer bases and networks of the three companies. With this global network, we will grow our Global Logistics business into the second revenue stream



[Approach Aimed at Strengthening the Business Base in Asia]

- Rapid growth of Semiconductor industry in Taiwan
- Japanese semiconductor manufacturing equipment manufacturers are ranked second worldwide in terms of sales

➡Morrison’s high-tech industry customer base  
 × EFL’s procurement capability and locations  
 × SGH’s last one mile delivery

[Examples of Initiatives to Strengthen Asia-North America Lanes]

Procurement activities are being promoted by both EFL and Morrison

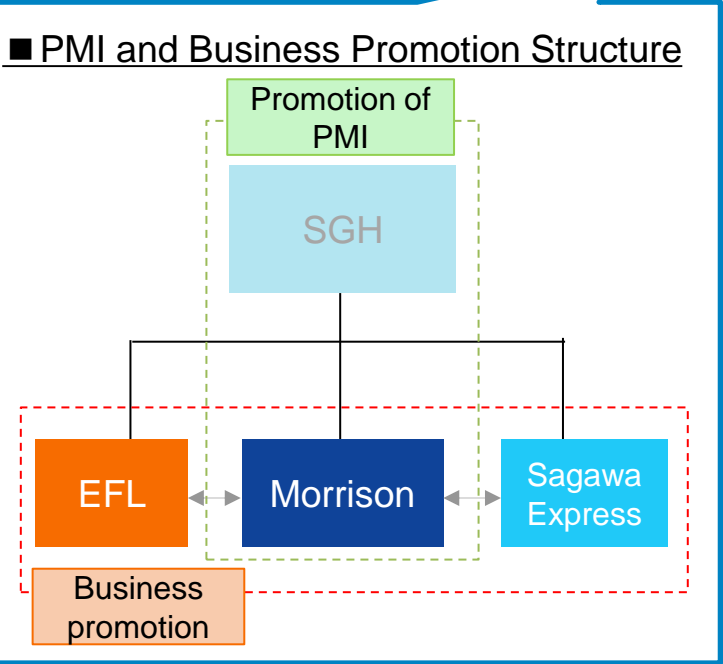
- ✓ Charter flight from Hanoi to Chicago (air)
  - Joint shipment by EFL and Morrison
  - Regular charter arrangements by Morrison

**Note** (1) A general term for the Group companies that have forwarding functions and are under the ownership of Expolanka.

Details of Efforts to Create Synergies

Key Strategies④

- Incorporating governance considerations, a PMI framework has been established between SGH and Morrison
- A business promotion structure has been set up between Morrison, EFL, and other Group companies, with biweekly synergy committee meetings to strengthen collaboration and improve profitability through mutual resource utilization
- From the second year onwards, we will verify the ideal form of the business entity and transition to a more efficient operational model. In the final year of the Mid-term Management Plan, we will launch specific initiatives to further expand profits



## 1st year

## Business promotion (synergies)

- ✓ Cost reduction through operation of charter aircraft from Asia to US
- ✓ Establishment of sales collaboration system
- ✓ Establishment of mutual customer referral system

## PMI promotion team (administrative)

- ✓ Introduction of rules on administrative authority, etc. with SGG<sup>(1)</sup>
- ✓ Optimization of locations (mutual use of US locations, etc.)
- ✓ Personnel exchange
- ✓ Establishment of a monitoring system (adjustment and re-setting of revenue/operating income targets, KPIs, etc.)
- ✓ Coordination and penetration of internal control and audit policies
- ✓ JSOX compliance

## 2nd year

## Business promotion (synergies)

- ✓ Japan Lane: Cooperation with SGH Group (major high-tech industry clients)
- ✓ India Lane: supply chain collaboration with EFL for major electronics manufacturers
- ✓ Agency switchover and unification

## PMI promotion team (administrative)

- ✓ Optimization of Asian locations
- ✓ System integration
- ✓ Establishment of brand strategy
- ✓ Appropriate merging of each company (including consolidation and elimination of logistics sites)

## 3rd year onwards

## Business promotion (synergies)

- ✓ For projects to Japan, we aim to acquire and maintain a grip on customers by appealing to the entire supply chain with one of the best total solutions in the country
- ✓ Outside of Japan, we will build resources to support supply chains in consumer countries

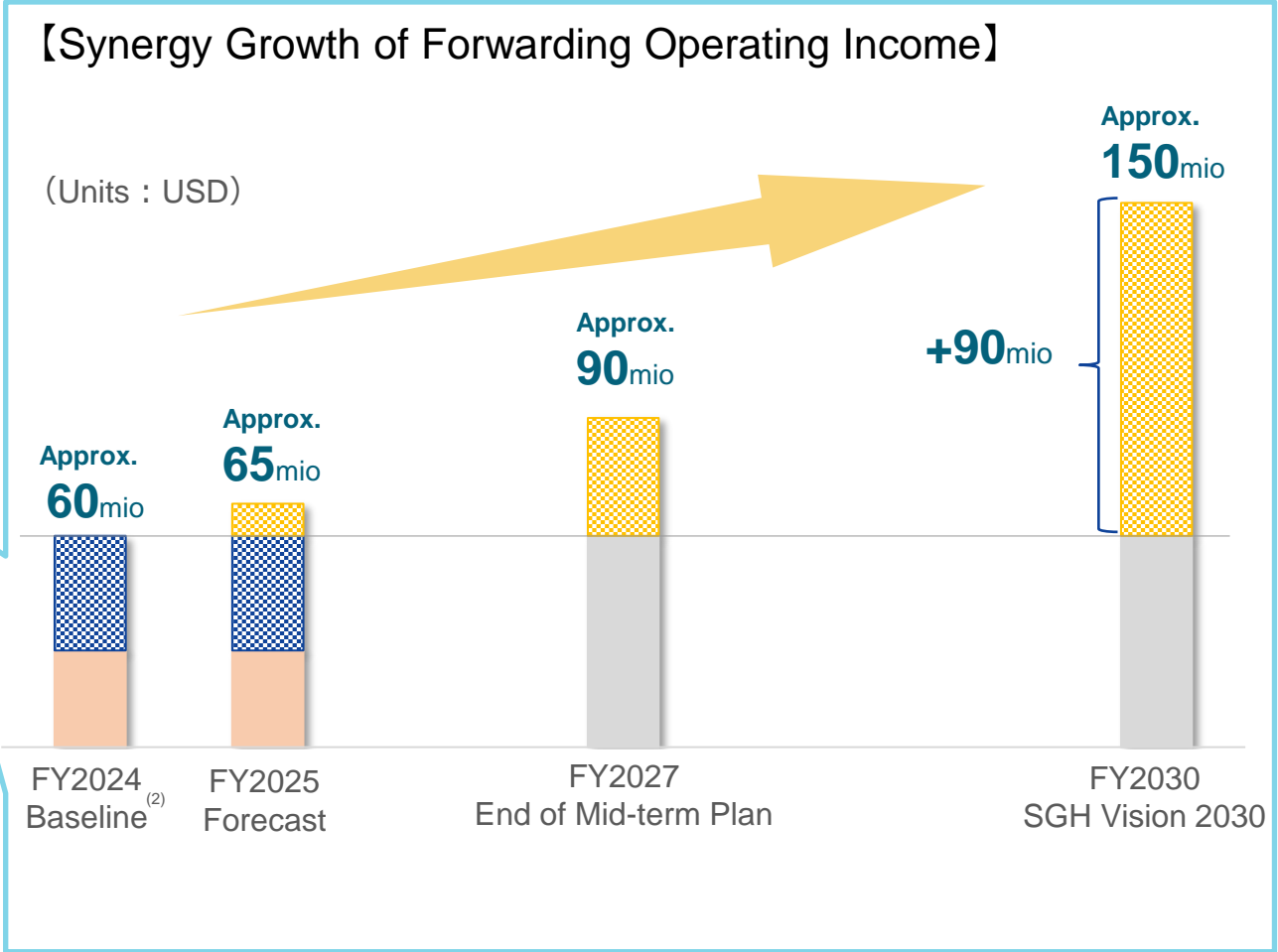
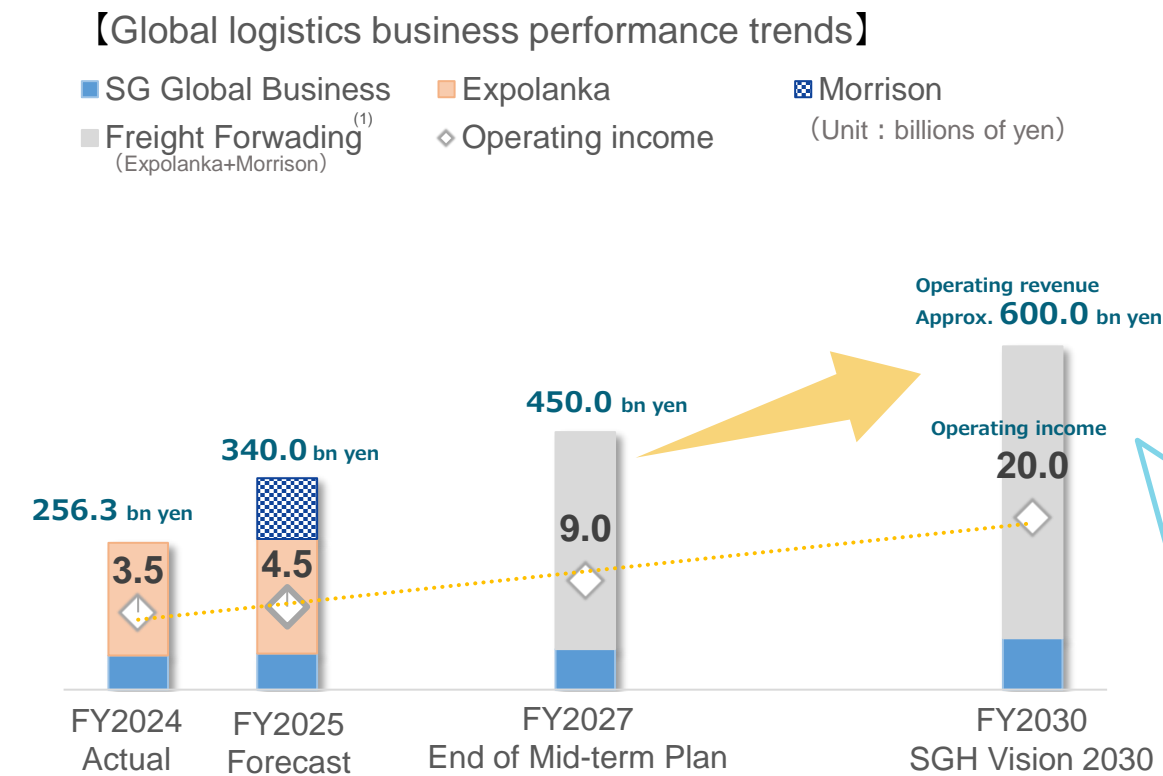


**Note** (1) SGG is an abbreviation for SG HOLDINGS GLOBAL PTE. LTD.

Growth Outlook of Global Logistics Business

Key Strategies④

- To achieve the SGH Vision 2030 targets of 600.0 billion yen in operating revenue and 20.0 billion yen in operating income, we will promote initiatives that foster synergies
- From the first year (FY2025), we expect to generate synergies and achieve operating income that exceeds amortization of goodwill, etc.



**Notes** (1) SG Global Business: SGH Global Japan, overseas subsidiaries under the ownership of SGG (excluding Expolanka). (2) Consolidated figures for Morrison for FY2024 are based on the year ending December 2024. From FY2025 onward, the fiscal year-end will be changed to March. (3) USD/JPY = 140 (Forecast rate as of May 9, 2025) (4) Figures are before amortization of goodwill, etc.



# Enhancing Governance to Increase Corporate Value

## Key Strategies⑨

### Implementation of small meetings by Outside Directors

- Held a small meeting with 7 institutional investors in April 2025

[Main points]

- Key discussion in formulating new Mid-Term Management Plan
- Structure of the Nomination and Remuneration Advisory Committee
- Issues related to the officer remuneration system and content of recent discussions, etc.



From left:  
Mr. Akiyama,  
Ms. Takaoka,  
and Mr. Sagisaka

### Change of Structure of the Nomination and Remuneration Advisory Committee

- Established a more transparent governance system by appointing an independent outside director as a chairperson
- Revised committee members

	From June 2025	
Chairperson	Independent Outside Director	Mika Takaoka
Members	Independent Outside Director	Osami Sagisaka
	President and COO	Hidekazu Matsumoto

### Changes in officer remuneration system

- To directly reflect contributions to sustainable corporate growth and improvement of corporate value, we revised our evaluation criteria and introduced an executive share ownership association

#### Base remuneration (from June 2025)

- Clarified the method and determined remuneration based on the following rules  
**Basic remuneration specified according to position and responsibilities**  
**+ Level of achievement of KPIs, etc.**  
[KPIs] Consolidated operating revenue and income, **ROE, TSR (total shareholder return)**



#### Performance-linked remuneration \*No change

- Points are granted by multiplying the base number of points (calculated from monthly remuneration and other factors) by a performance-linked coefficient based on the achievement level of company performance indicators (such as consolidated operating income)
- Upon retirement, shares are granted based on the cumulative number of points awarded, with 70% provided as common share and 30% paid in an equivalent amount of money

#### Executive share ownership association (from FY2026/3)

- A portion of monthly remuneration based on base remuneration is contributed, and used to purchase company's shares from the market through the executive share ownership association, in principle on a monthly basis



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4.	<b>Appendix</b>	<b>23–37</b>



# Overview of Morrison

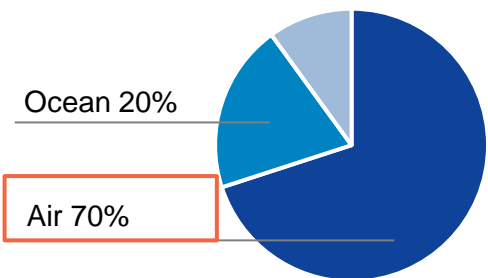


Company Name	Morrison Express Worldwide Corporation
HQ Location	Taipei
Founded / Established	1972
Business Contents	Global Freight Forwarder -Industry leader in air transport of high-tech and electronic products 3PL, customs brokerage
Customer Industry	Semiconductor, electronic machinery, retail

## Air Forwarder Ranking <sup>(1)</sup>

- 1 DSV + DB Schenker
- 2 DHL Global Forwarding
- 3 Kuehne + Nagel
- ...
- 19 Morrison

## Composition of Sales

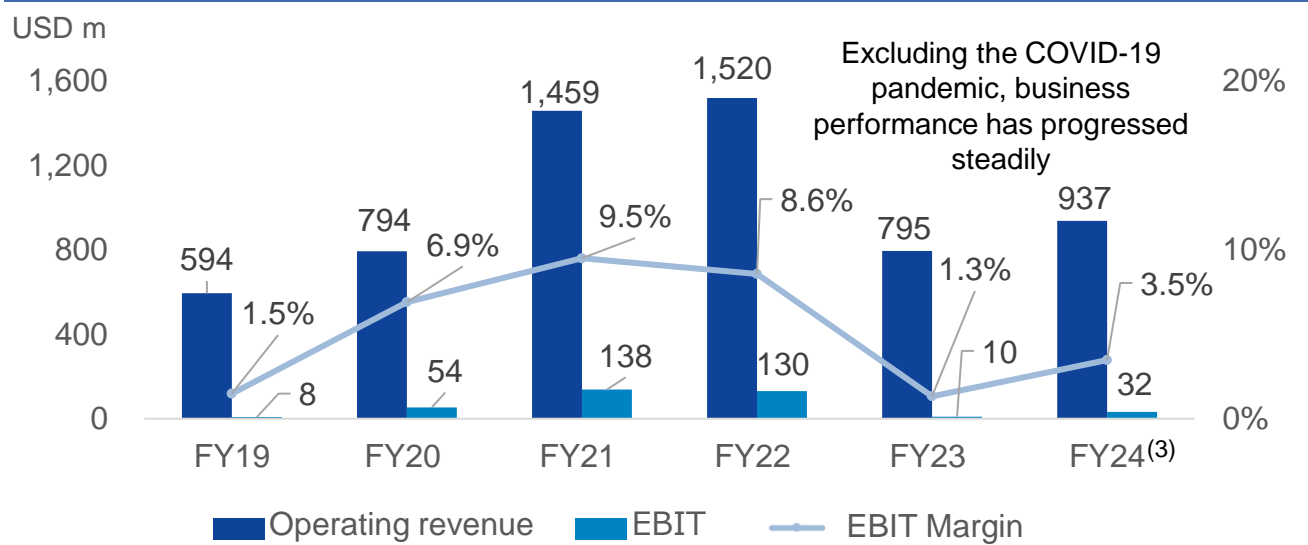


Strengths

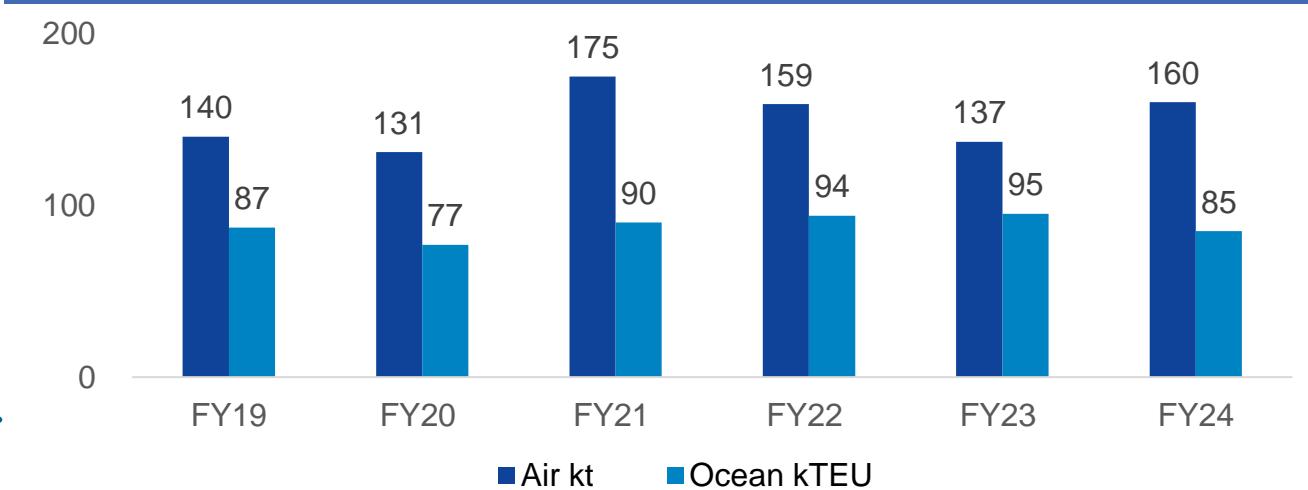
- **96% of** customer were cultivated independently starting from EMS customers
- Relationship of **15+ years on average** with top 15 customers
- Global business record with **6,000+** high-tech companies

**Notes** (1) Prepared by SGH based on WorldACD release as of June 2025. (2) EMS: Electronics Manufacturing Service, a service that outsources or accepts orders for the manufacture and design of electronic devices. (3) Figures for FY24 are unaudited.

## Financial Highlights

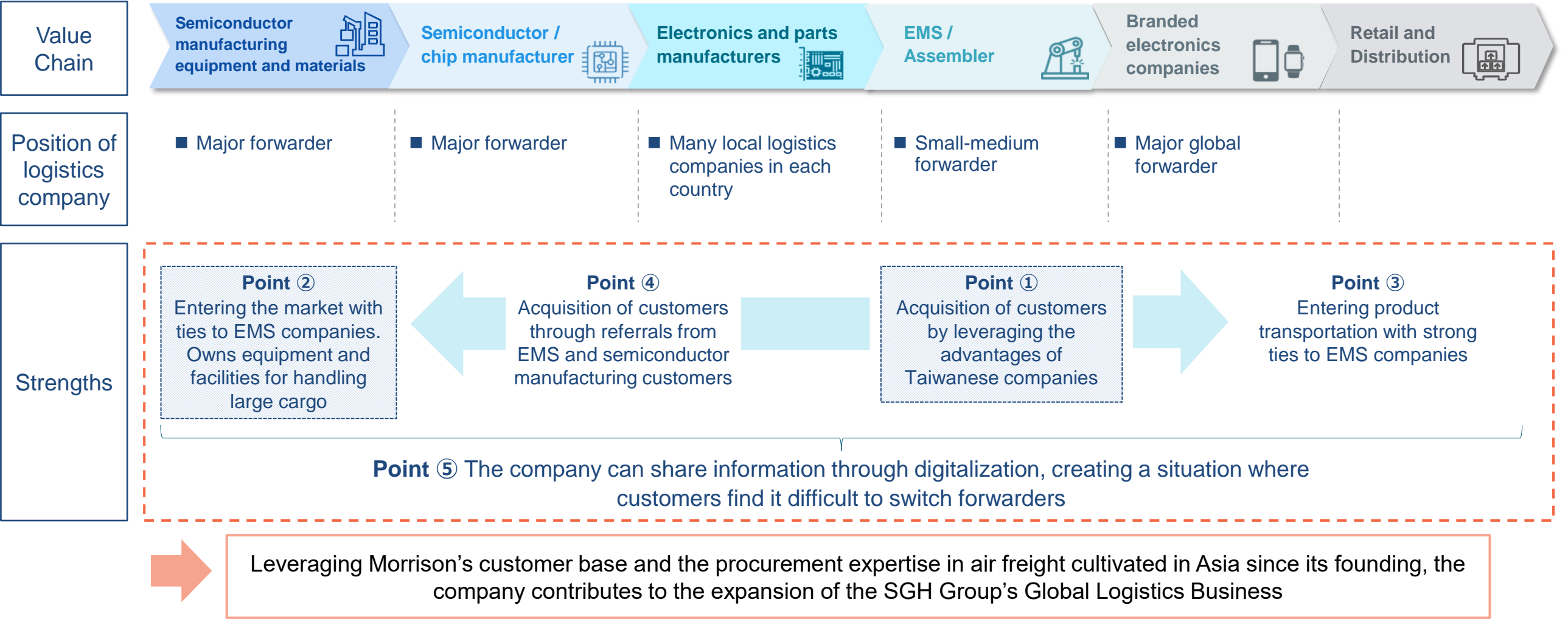


## Air and Ocean Cargo Volume



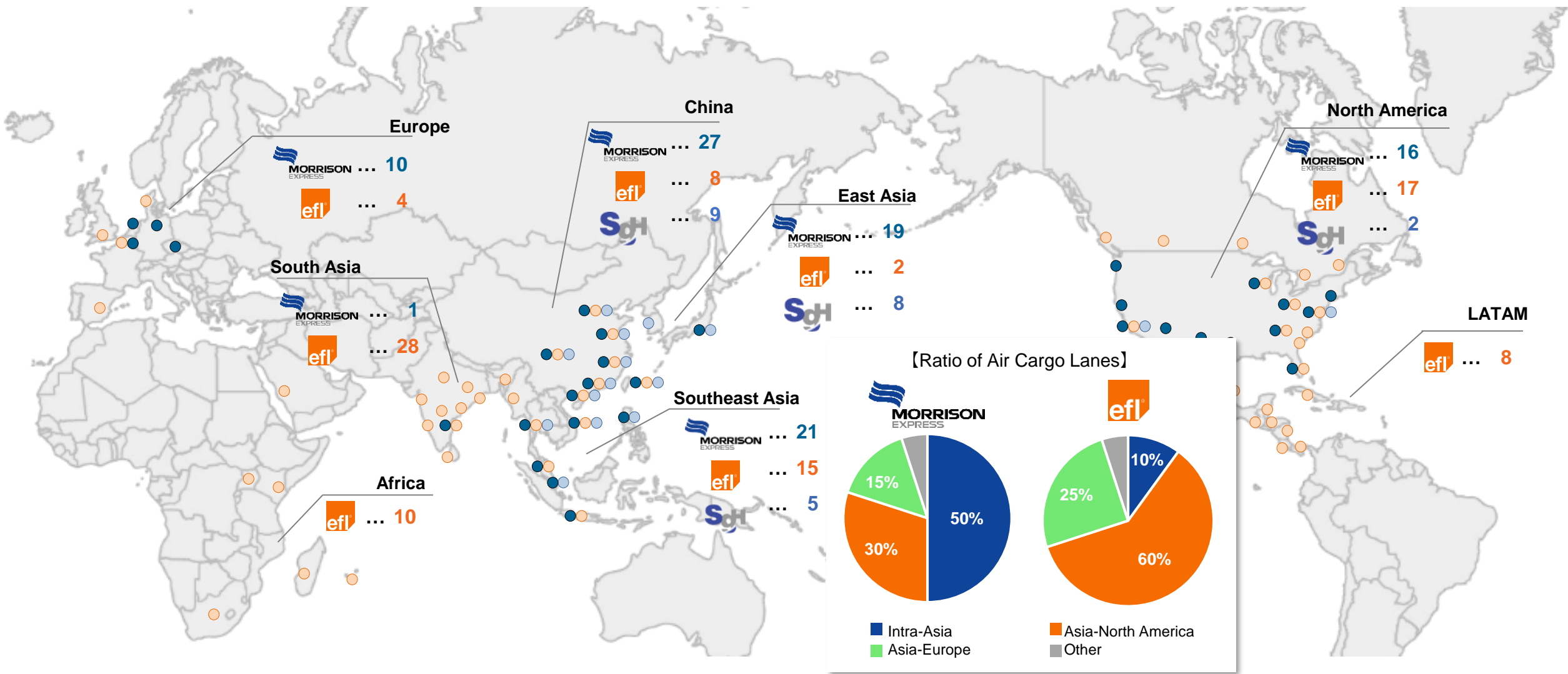
# Morrison's Strengths

- Since its founding, the company has expanded primarily to Taiwanese semiconductor manufacturing EMS customers
- As Taiwanese customers moved their manufacturing to China, the company has expanded its business to include upstream process materials from finished product logistics
- The company can share information through digitalization, controlling the entire value chain and keeping a close eye on the customers



# Trade Lanes of Morrison and EFL

- EFL has strengths in Asia-North America lanes, and Morrison has strengths in intra-Asia lanes
- In addition, within Asia, EFL has strengths in South and Southeast Asia centered on India, while Morrison has strengths in East Asia and China, enabling efficient operations leveraging each other's procurement capabilities



**Note** (1) The number of bases is as of the date of disclosure of financial results for FY2025/3 Q3 (February 7, 2025).

# Summary of Consolidated Financial Results (Single Quarters)

(Units: billions of yen)	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)
Operating revenue	334.5	367.4	+ 32.8	109.8%
Operating expenses	315.0	349.9	+ 34.9	111.1%
Personnel expenses	106.4	122.2	+ 15.8	114.9%
Outsourcing expenses	159.8	168.7	+ 8.8	105.5%
Fuel expenses	3.1	4.3	+ 1.1	137.7%
Depreciation and amortization	9.0	10.6	+ 1.6	118.2%
Other expenses	36.5	43.9	+ 7.4	120.3%
Operating income [Operating margin]	19.5 [ 5.8% ]	17.4 [ 4.8% ]	(2.0)	89.5%
Ordinary income	19.4	17.8	(1.6)	91.8%
Net income attributable to owners of the parent	12.4	10.1	(2.2)	81.8%

**Note** (1) Amounts less than 100 million yen are rounded down.

# Delivery Business - Summary of Financial Results (Single Quarters)

	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)
(Units: billions of yen)				
Operating revenue	247.4	251.7	+ 4.2	101.7%
Operating expenses	240.3	248.8	+ 8.4	103.5%
Personnel expenses	85.4	87.3	+ 1.8	102.2%
Outsourcing expenses	121.3	126.2	+ 4.9	104.1%
Fuel expenses	3.0	3.1	+ 0.1	103.4%
Depreciation and amortization	5.7	6.1	+ 0.4	107.3%
Other expenses	24.7	25.8	+ 1.0	104.4%
Operating income	17.8	13.7	(4.1)	76.9%
[Operating margin]	[ 7.2% ]	[ 5.4% ]		

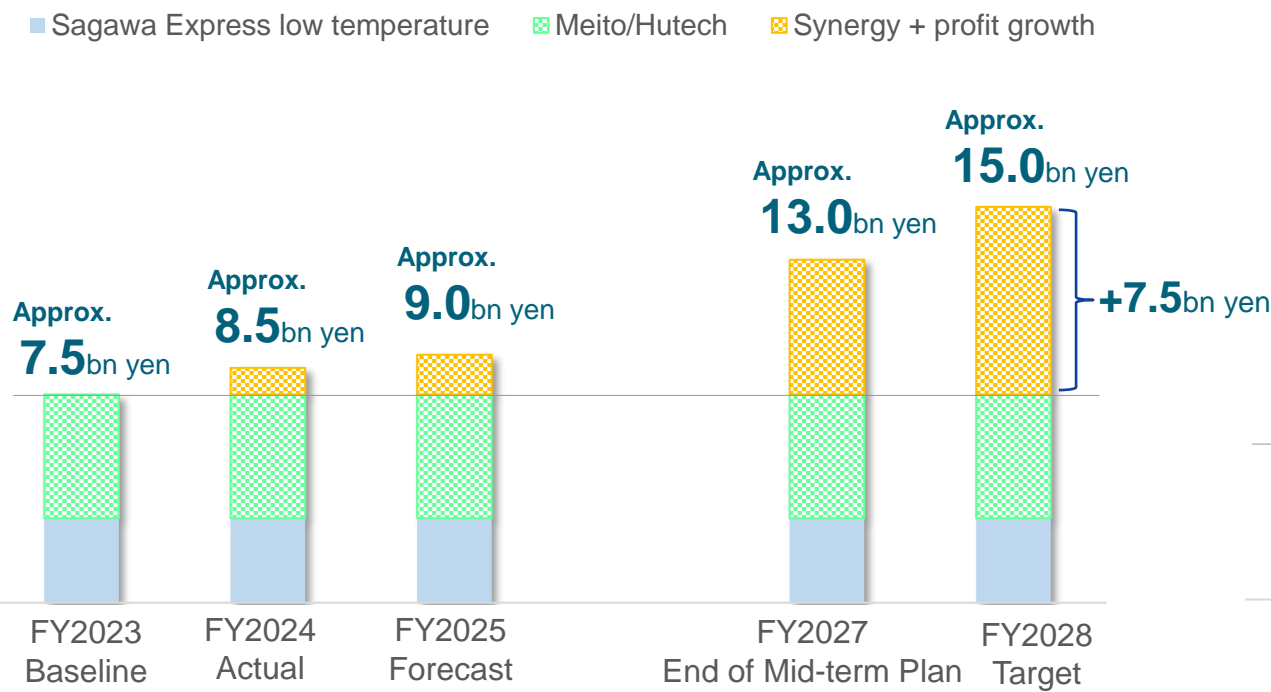
**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Operating revenue is presented as “operating revenue from external customers.” Operating expenses show operating expenses to total segment operating revenue, including “intersegment operating revenue and transfers.”

Profit Growth Driven by Synergy Effect

Logistics Business/Global Logistics Business

### Operating income (before amortization of goodwill, etc.) growth outlook

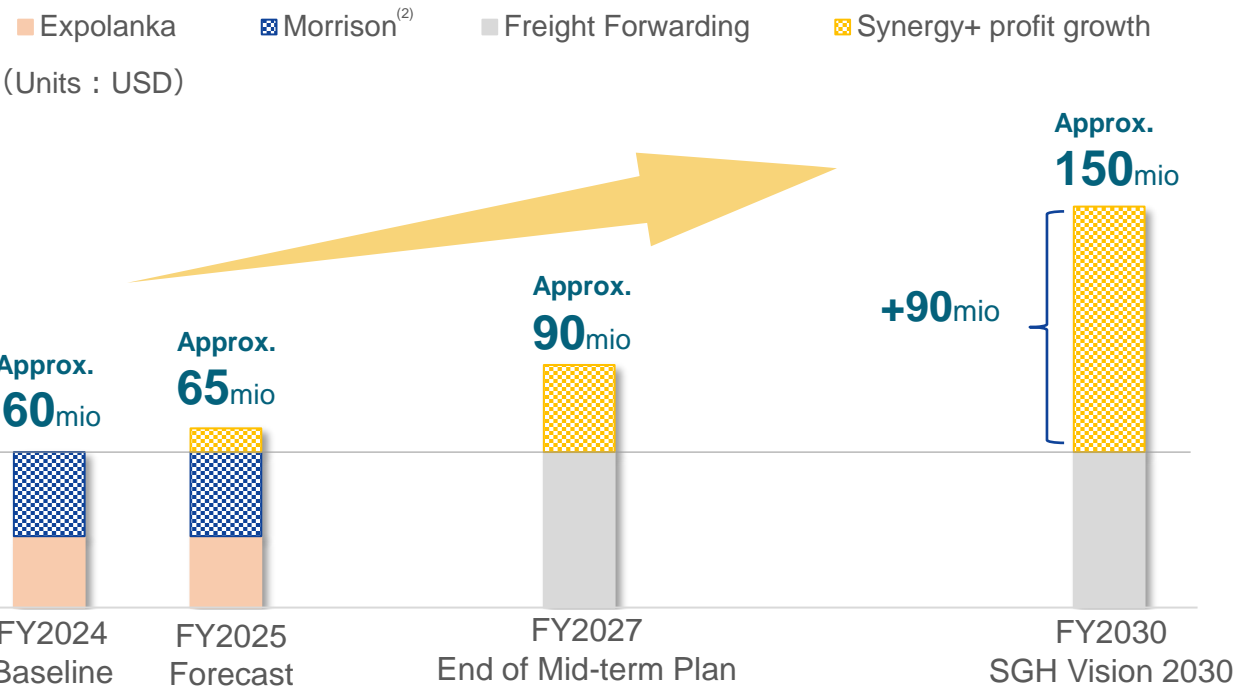
#### Low-temperature logistics solutions (Meito/Hutech)<sup>(1)</sup>



[Current Status]

- Profit growth is currently led by Meito/Hutech. Sales activities aimed at generating synergies are ongoing

#### Forwarding (Morrison)



[Current Status]

- Closing completed on May 20, 2025
- Established a PMI framework between SGH and Morrison. Also, business promotion structure has been set up between Morrison, EFL, and other group companies, with biweekly synergy committee meetings to strengthen collaboration and improve profitability through mutual resource utilization

**Notes** (1) Excluding royalty expenses paid to SGH. (2) Consolidated figures for Morrison for FY2024 are based on the year ending December 2024. From FY2025 onward, the fiscal year-end will be changed to March.

[Reference] Results of Meito/Hutech

Logistics Business

(Units: billions of yen)	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)
Operating revenue	29.8	30.3	+ 0.5	102.0%
Operating costs	27.2	27.5	+ 0.3	101.2%
Operating gross profit	2.5	3.0	+ 0.4	118.9%
Selling, general and administrative expenses	1.0	1.0	+ 0.0	108.9%
Operating income	1.5	1.9	+ 0.3	125.6%

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Meito/Hutech results for FY2025/3 Q1 are reference figures as these are results before consolidation. (3) Operating revenue for FY2026/3 Q1 shows “operating revenue from external customers.” Operating costs and Selling, general and administrative expenses show operating expenses to total operating revenue, including “group internal operating revenue.” However, selling, general and administrative expenses are shown after adding back royalty expenses to SGH. Operating income is calculated based on this figure.

Results of Expolanka

Global Logistics Business

(Units: billions of yen)	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)
Operating revenue	42.1	38.8	(3.2)	92.2%
Operating costs	35.3	31.1	(4.1)	88.1%
Operating gross profit	6.7	7.6	+ 0.9	113.4%
Selling, general and administrative expenses	7.4	7.5	+ 0.1	102.0%
Operating income	(0.6)	0.0	+ 0.7	—
Air volume (kt) <sup>(2)</sup>	33	31	(1)	94.2%
Ocean volume (kTEU) <sup>(2)</sup>	33	41	+ 8	124.8%
[Reference] Exchange rate (1\$/yen) <sup>(3)</sup>	155.88	144.59	—	92.8%

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Rounded down to the nearest whole number. (3) Average rate for the quarter (Cumulative AR). (4) Operating costs and Selling, general and administrative expenses show operating expenses to total operating revenue, including “group internal operating revenue.”



[Reference] Results of Morrison

Global Logistics Business

(Units: billions of yen)	FY2025/3 Q1 (April-June 2024)	FY2026/3 Q1 (April-June 2025)	YoY change	YoY (%)
Operating revenue	34.9	34.3	(0.6)	98.2%
Operating costs	28.5	27.2	(1.2)	95.5%
Operating gross profit	6.4	7.1	+ 0.6	110.2%
Selling, general and administrative expenses	5.5	5.4	(0.1)	97.6%
Operating income	0.9	1.7	+ 0.7	187.7%
Air volume (kt) <sup>(2)</sup>	40	41	+ 0	101.8%
Ocean volume (kTEU) <sup>(2)</sup>	21	22	+ 0	104.5%
[Reference] Exchange rate (1\$/yen) <sup>(3)</sup>	155.88	144.59	—	92.8%

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Rounded down to the nearest whole number. (3) Average rate for the quarter (Cumulative AR). (4) The results in the table above are reference figures as these are results before consolidation. (5) Figures for FY2026/3 Q1 are unaudited.

## Consolidated Statement of Cash Flows - General Breakdown

**FY2026/3 Q1**

(Units: billions of yen)

• Cash flows from operating activities	30.2	• Cash flows from investing activities	(133.9)
Major components:		Major components:	
Income before income taxes	17.7	Purchases of property, plant and equipment	(12.1)
Depreciation and amortization	10.9	Purchases of intangible assets	(0.8)
Amortization of goodwill	1.2	Purchases of shares of Morrison Express	(119.9)
Net changes in accrued bonuses	8.4		
Foreign exchange losses (gains)	(0.5)	• Cash flows from financing activities	84.1
Net changes in trade notes and accounts receivable	6.4	Major components:	
Net changes in trade notes and accounts payable	(7.3)	Net changes in short-term bank loans	160.0
Net changes in deposits received	(0.7)	Repayment of long-term bank loans	(6.5)
Net changes in accrued expenses	2.6	Repayments of lease obligations	(2.1)
Net changes in accrued consumption taxes	5.9	Purchase of treasury shares	(50.8)
Income taxes paid	(15.6)	Cash dividends paid	(16.4)

**Note** (1) Amounts less than 100 million yen are rounded down.

# Status of Products and Services

## Delivery Business: Status of number of packages and unit price

	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)
(Units: millions of packages, yen)				
Total number of packages	327	326	(0)	99.9%
Hikyaku Express <sup>(2)(4)</sup>	318	317	(0)	99.9%
Other <sup>(3)</sup>	9	9	(0)	99.0%
Average unit price	654	659	+ 5	100.6%

[Reference] FY2026/3 Q1 YoY change in weekdays: Weekdays ±0, Saturdays ±0, Sundays and holidays ±0

## Status of TMS

	FY2025/3 Q1	FY2026/3 Q1	YoY change	YoY (%)
(Units: billions of yen)				
Sales	29.3	32.5	+ 3.2	111.1%

**Notes** (1) Amounts less than 100 million yen are rounded down. (2) Hikyaku Express shows the number of packages Sagawa Express Co., Ltd. notified to the Ministry of Land, Infrastructure, Transport and Tourism. (3) Other shows the number of packages by Hikyaku Large Size Express<sup>(4)</sup>. (4) Hikyaku Express and Hikyaku Large Size Express are registered trademarks of SG Holdings Co., Ltd. in Japanese. (5) YoY changes are calculated based on FY2025/3 figures after the change in scope of aggregation due to the change in business segments.

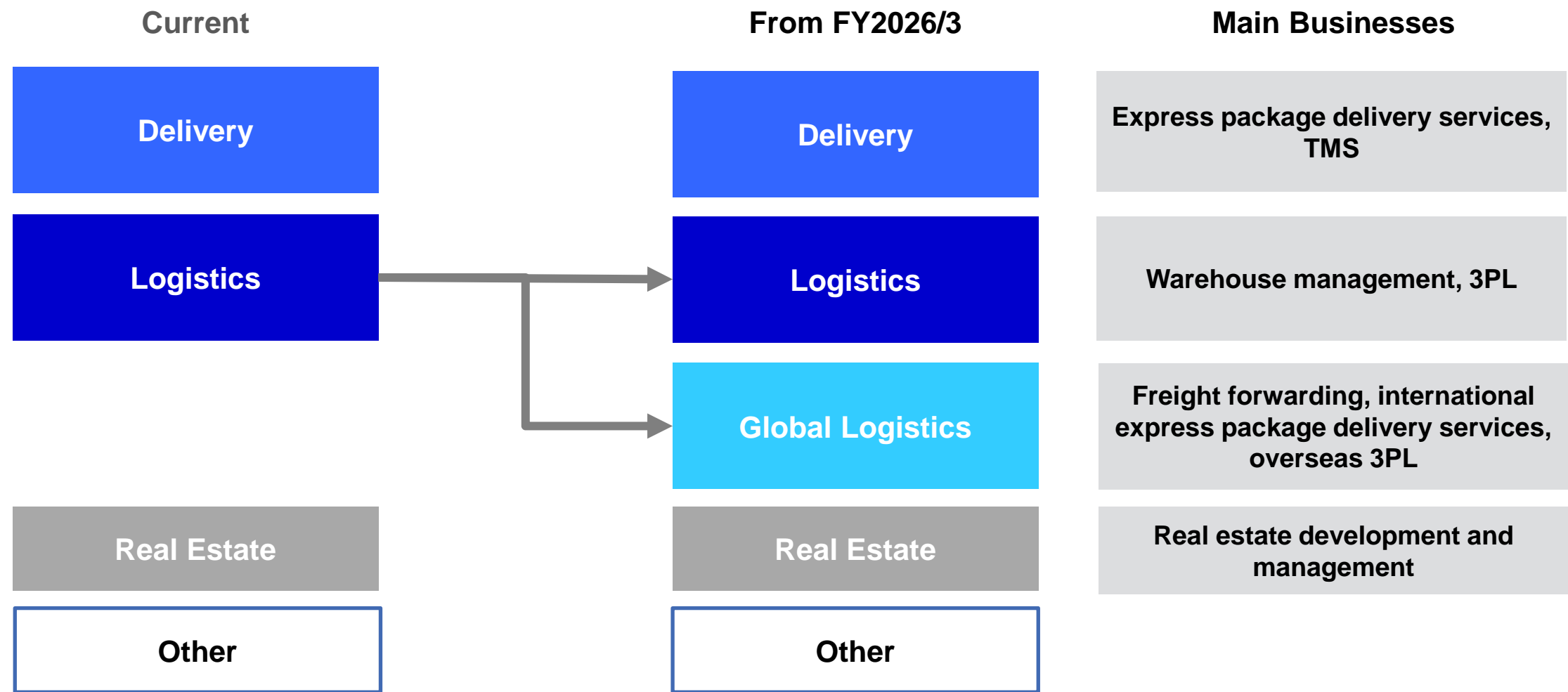
# Status of Employees, Vehicles and Locations

(Units: employees, vehicles, locations)		FY2025/3	FY2026/3 Q1	Change from the end of the previous year
Total number of employees [number of partner employees <sup>(1)</sup> within]		104,595 [ 46,324 ]	103,233 [ 44,685 ]	(1,362) [ (1,639) ]
Sagawa Express	Delivery Business	71,954 [ 30,637 ]	70,659 [ 29,266 ]	(1,295) [ (1,371) ]
	Logistics Business	22,240 [ 13,943 ]	22,234 [ 13,828 ]	(6) [ (115) ]
	Global Logistics Business	5,977 [ 34 ]	6,036 [ 37 ]	+ 59 [ + 3 ]
	Real Estate Business	98 [ 2 ]	100 [ 2 ]	+ 2 [ – ]
	Other Businesses	3,639 [ 1,513 ]	3,515 [ 1,353 ]	(124) [ (160) ]
	Corporate (common)	687 [ 195 ]	689 [ 199 ]	+ 2 [ + 4 ]
Sagawa Express	Number of vehicles	25,629	25,641	+ 12
	Number of major locations	832	834	+ 2
	Transfer centers	22	22	–
	Sales offices	428	428	–
	Small stores <sup>(3)</sup>	382	384	+ 2

**Notes** (1) Average number of employees during the period. (2) The number of employees at the end of FY2025/3 reflects changes in business segments, and YoY changes are calculated accordingly. (3) Total number of service centers and delivery centers.

# Change of Business Segments (From FY2026/3) Reshown

- The current Logistics Segment has been split into “Logistics” and “Global Logistics” in line with the direction of the business strategy for achieving the Long-term Vision



# Change in Scope of Aggregation for the Number of Packages and Average Unit Price in the Delivery Business (From FY2026/3) Reshown



➤ Due to the change in business segments, the scope of aggregation for the number of packages in the Delivery Business has changed. The calculation of the average unit price has also been changed in accordance with the scope of aggregation for the number of packages

■ Details of the change

	Until FY2025/3	From FY2026/3
Hikyaku Express	Number of units reported by Sagawa Express to the Ministry of Land, Infrastructure, Transport and Tourism	No change
Other numbers	Total number of packages handled by Hikyaku Large Size Express, World Supply and Sagawa Humony	Only Hikyaku Large Size Express
Average unit price	Average unit price of the total number of packages handled by Sagawa Express, World Supply and Sagawa Humony	Average unit price of the total number of packages handled by Sagawa Express

■ Changes in the number of packages and average unit price due to changes in the scope of aggregation (over the past three years)

	FY2023/3				FY2024/3				FY2025/3			
	Before	YoY(%) (Before)	After	YoY(%) (After)	Before	YoY(%) (Before)	After	YoY(%) (After)	Before	YoY(%) (Before)	After	YoY(%) (After)
(Units: millions of packages, yen)												
Total number of packages	1,410	99.1%	1,401	99.1%	1,373	97.3%	1,363	97.3%	1,317	95.9%	1,308	95.9%
Hikyaku Express	1,359	99.3%	1,359	99.3%	1,325	97.5%	1,325	97.5%	1,271	95.9%	1,271	95.9%
Other	50	93.4%	41	91.5%	47	93.5%	37	91.9%	46	96.9%	36	96.5%
Average unit price	643	99.5%	642	99.5%	648	100.9%	648	100.9%	662	102.1%	661	102.1%

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