

## Translation

Notice: This document is an excerpt translation of the original Japanese document and is only for reference purposes. In the event of any discrepancy between this translated document and the original Japanese document, the latter shall prevail.

## Summary of Consolidated Financial Results for the Twelve Months Ended October 31, 2025 (Under Japanese GAAP)

December 12, 2025

Company name: SHANON Inc.  
 Listing: Tokyo Stock Exchange  
 Stock code: 3976 URL <https://shanon.co.jp/>  
 Representative: Hirofumi Yamazaki Representative Directors  
 Inquiries: Gaku Tomokiyo Chief Financial Officer  
 Telephone: +81-3-6743-1551  
 Scheduled date to commence dividend payments: -  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: Yes

(Amounts less than one million yen are rounded down)

## 1. Consolidated financial results for the Twelve Months Ended October 31, 2025 (from November 1, 2024 to October 31, 2025)

## (1) Consolidated operating results

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Twelve months ended								
October 31, 2025	2,740	-	53	-	(4)	-	(83)	-
October 31, 2024	3,206	9.3	(51)	-	(53)	-	(101)	-

	Earnings per share	Diluted earnings per share
	Yen	Yen
Twelve months ended		
October 31, 2025	(15.98)	-
October 31, 2024	(31.97)	-

## (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of October 31, 2025	1,939	929	47.8
As of October 31, 2024	2,169	(52)	(2.7)

## 2. Cash dividends

	Annual dividends per share					
	1st quarter-end	2nd quarter-end	3rd quarter-end	4rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen	Yen
Fiscal year ending October 31, 2024	-	0.00	-	-	0.00	0.00
Fiscal year ended December 31, 2025	-	0.00	-	-	-	-
Fiscal year ended December 31, 2025 (Forecast)					0.00	0.00

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

None

## 3. Forecast of consolidated financial results for the year ending December 31, 2025 (from November 1, 2024 to December 31, 2025)

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	3,150	-	50	-	(10)	-	(90)	-	(16.86)

Note: Revisions to the earnings forecasts most recently announced:

Yes

## 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:

Yes

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 October 31, 2025	5,926,200 shares	As of October 31, 2024	3,180,700 shares
Number of treasury shares at the end of the period			
As of October 31, 2025	254 shares	As of October 31, 2024	254 shares
Average number of shares during the period			
Twelve months As of October 31, 2025	5,241,451 shares	As of October 31, 2024	3,178,755 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 October 31, 2024	As of October 31, 2025
Assets [abstract]		
Current assets [abstract]		
Cash and deposits	763,133	1,028,606
Notes and accounts receivable - trade, and contract assets	443,823	175,055
Work in process	26,876	33,010
Allowance for doubtful accounts-CA-by group	—	△42
Other-CA	142,322	124,164
Current assets	1,376,156	1,360,795
Non-current assets [abstract]		
Property, plant and equipment	27,494	94,057
Intangible assets [abstract]		
Software	266,937	272,166
Software in progress	50,175	39,948
Goodwill	79,114	67,944
Other-IA	4,668	5,070
Intangible assets	400,896	385,130
Investments and other assets	355,337	98,487
Non-current assets	783,727	577,675
Deferred assets	9,597	570
Assets	2,169,482	1,939,041
Liabilities [abstract]		
Current liabilities [abstract]		
Notes and accounts payable-trade	60,749	31,929
Current portion of long-term borrowings	113,260	22,749
Current portion of bonds payable	40,000	40,000
Advances received	511,271	535,925
Income taxes payable	10,982	29,114
Provision for bonuses	59,804	91,353
Other-CL	190,760	220,143
Current liabilities	986,827	971,215
Non-current liabilities [abstract]		
Bonds payable	1,174,046	—
Long-term borrowings	61,151	38,402
Non-current liabilities	1,235,197	38,402
Liabilities	2,222,025	1,009,617
Net assets [abstract]		
Shareholders' equity [abstract]		
Share capital	550,010	1,084,365
Capital surplus	195,083	729,439
Retained earnings	△812,970	△896,753
Treasury shares	△485	△485
Shareholders' equity	△68,361	916,565
Valuation and translation adjustments [abstract]		
Foreign currency translation adjustment	10,141	10,158
Valuation and translation adjustments	10,141	10,158
Share acquisition rights	5,677	2,700
Non-controlling interests	—	—
Net assets	△52,542	929,423
Liabilities and net assets	2,169,482	1,939,041

	Twelve months ended
	31-Oct-25
Net sales	2,740,261
Cost of sales	943,152
Gross profit (loss)	1,797,109
Selling, general and administrative expenses	1,743,212
Operating profit (loss)	53,897
Non-operating income [abstract]	
Interest income-NOI	1,655
Subsidy income-2-NOI	4,482
Commission income - NOI	2,532
Other-NOI	215
Non-operating income	8,886
Non-operating expenses [abstract]	
Interest expenses-NOE	1,244
Interest expenses on bonds - NOE	206
Foreign exchange losses-NOE	1,770
Amortization of bond issuance costs - NOE	9,027
Loss on cancellation of insurance policies - NOE	33,223
Loss on retirement of non-current assets-NOE	13,874
Other-NOE	8,005
Non-operating expenses	67,351
Ordinary profit (loss)	△4,567
Extraordinary income [abstract]	
Gain on sale of businesses - EI	15,008
Extraordinary income	15,008
Extraordinary losses [abstract]	
Loss on redemption of bonds - LE	61,446
Extraordinary losses	61,446
Profit (loss) before income taxes	△51,004
Income taxes-current	7,778
Income taxes-deferred	25,000
Income taxes	32,778
Profit (loss) (after amendment dated 2014-03-28)	△83,782
Profit (loss) attributable to non-controlling interests	—
Profit (loss) attributable to owners of parent	△83,782

	Twelve months ended
	31-Oct-25
Profit (loss) (after amendment dated 2014-03-28)	△83,782
Other comprehensive income [abstract]	
Foreign currency translation adjustment, net of tax-OCI	16
Other comprehensive income	16
Comprehensive income	△83,766
Comprehensive income attributable to [abstract]	
Comprehensive income attributable to owners of parent	△83,766
Comprehensive income attributable to non-controlling interests	—