

Translation

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Summary of Consolidated Financial Results for the Year Ended December 31, 2025 (Based on Japanese GAAP)

February 13, 2026

Company name: teno. Holdings Company Limited
 Stock exchange listing: Tokyo, Fukuoka
 Stock code: 7037 URL <https://www.teno.co.jp/>
 Representative: President & CEO Hiroko Ikeuchi
 Inquiries: Director, GM of Administrative Headquarter Motoshi Okada TEL 092 (263) 3550
 Scheduled date of ordinary general meeting of shareholders: March 19, 2026
 Scheduled date to file Securities Report: March 19, 2026
 Scheduled date to commence dividend payments: March 23, 2026
 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 year ended December 31, 2025 (from January 1, 2025 to December 31, 2025)

(1) Consolidated operating results

Percentages indicate year-on-year changes

	Net sales		EBITDA		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Year ended December 31, 2025	18,129	13.2	1,149	66.3	631	225.2	604	235.7	110	–
Year ended December 31, 2024	16,017	10.0	690	15.3	194	3.5	180	(7.5)	(466)	–

	Earnings per share	Diluted earnings per share	Profit attributable to owners of parent/equity	Ordinary profit/total assets	Operating profit/net sales
	Yen	Yen	%	%	%
Year ended December 31, 2025	24.08	–	6.2	6.0	3.5
Year ended December 31, 2024	(102.03)	–	(23.4)	1.9	1.2

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio	Net assets per share
	Millions of yen	Millions of yen	%	Yen
As of December 31, 2025	10,429	1,804	17.3	394.89
As of December 31, 2024	9,759	1,735	17.8	379.80

(3) Consolidated cash flows

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at end of period
	Millions of yen	Millions of yen	Millions of yen	Millions of yen
Year ended December 31, 2025	1,037	(531)	(205)	2,395
Year ended December 31, 2024	691	(916)	458	2,095

2. Cash dividends

	Annual dividends per share					Total cash dividends (Total)	Dividend payout ratio (Consolidated)	Ratio of dividends to net assets (Consolidated)
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Millions of yen	%	%
Year ended December 31, 2024	–	–	–	9.00	9.00	41	–	2.1
Year ended December 31, 2025	–	–	–	10.00	10.00	45	41.5	2.6
Year ending December 31, 2026 (Forecast)	–	–	–	10.00	10.00		15.8	

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		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	19,500	7.6	645	2.2	590	(2.4)	290	163.6	63.48

4. Notes

(1) Significant changes in the scope of consolidation during the year ended December 31, 2025: Yes

(2) 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: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(3) Number of issued shares (common shares)

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

As of December 31, 2025	4,701,300 shares	As of December 31, 2024	4,701,300 shares
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Number of treasury shares at the end of the period

As of December 31, 2025	132,724 shares	As of December 31, 2024	132,724 shares
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Average number of shares during the period

Year ended December 31, 2025	4,568,576 shares	Year ended December 31, 2024	4,568,576 shares
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Consolidated financial statements
Consolidated balance sheets

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	2,171	2,518
Accounts receivable - trade and contract assets	1,309	1,497
Inventories	67	71
Other	908	882
Allowance for doubtful accounts	(17)	(5)
Total current assets	4,438	4,964
Non-current assets		
Property, plant and equipment		
Buildings and structures	3,297	3,591
Accumulated depreciation	(1,638)	(1,963)
Buildings and structures, net	1,658	1,627
Land	53	229
Leased assets	38	38
Accumulated depreciation	(36)	(36)
Leased assets, net	2	1
Construction in progress	21	154
Other	609	716
Accumulated depreciation	(496)	(574)
Other, net	113	142
Total property, plant and equipment	1,849	2,155
Intangible assets		
Goodwill	1,506	1,313
Other	333	285
Total intangible assets	1,839	1,598
Investments and other assets		
Investment securities	10	10
Long-term loans receivable	656	611
Long-term prepaid expenses	305	267
Deferred tax assets	113	176
Leasehold and guarantee deposits	545	637
Other	3	9
Allowance for doubtful accounts	(2)	(2)
Total investments and other assets	1,631	1,710
Total non-current assets	5,320	5,464
Total assets	9,759	10,429

(Millions of yen)

	As of December 31, 2024	As of December 31, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	61	71
Short-term borrowings	1,947	1,864
Current portion of long-term borrowings	646	654
Accounts payable - other	877	1,045
Income taxes payable	109	226
Provision for bonuses	81	104
Contract liabilities	599	633
Other	624	664
Total current liabilities	4,947	5,264
Non-current liabilities		
Long-term borrowings	2,772	3,056
Deferred tax liabilities	16	14
Provision for retirement benefits for directors (and other officers)	42	47
Asset retirement obligations	218	218
Other	25	22
Total non-current liabilities	3,076	3,361
Total liabilities	8,024	8,625
Net assets		
Shareholders' equity		
Share capital	455	455
Capital surplus	532	383
Retained earnings	832	1,050
Treasury shares	(84)	(84)
Total shareholders' equity	1,735	1,804
Total net assets	1,735	1,804
Total liabilities and net assets	9,759	10,429

Consolidated statements of income and consolidated statements of comprehensive income
Consolidated statements of income

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Net sales	16,017	18,129
Cost of sales	13,630	15,155
Gross profit	2,387	2,973
Selling, general and administrative expenses	2,193	2,342
Operating profit	194	631
Non-operating income		
Interest income	4	5
Subsidy income	11	8
Penalty income	–	14
Other	6	7
Total non-operating income	22	35
Non-operating expenses		
Interest expenses	30	53
Payments for employment of persons with disabilities	0	–
subsidies return loss	1	–
Other	3	9
Total non-operating expenses	36	62
Ordinary profit	180	604
Extraordinary income		
Subsidy income	33	4
Business compensation	48	–
Other	5	–
Total extraordinary income	87	4
Extraordinary losses		
Impairment losses	485	200
Loss on tax purpose reduction entry of non-current assets	33	4
Total extraordinary losses	519	204
Profit (loss) before income taxes	(251)	404
Income taxes - current	142	285
Income taxes - deferred	72	8
Total income taxes	214	294
Profit (loss)	(466)	110
Profit (loss) attributable to owners of parent	(466)	110

Consolidated statements of comprehensive income

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Profit (loss)	(466)	110
Comprehensive income	(466)	110
Comprehensive income attributable to Comprehensive income attributable to owners of parent	(466)	110

Consolidated statements of changes in equity

Fiscal year ended December 31, 2024

(Millions of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	455	532	1,339	(84)	2,242	2,242
Changes during period						
Issuance of new shares - exercise of share acquisition rights					-	-
Profit (loss) attributable to owners of parent			(466)		(466)	(466)
Dividends of surplus			(41)		(41)	(41)
Transfer from retained earnings to capital surplus					-	-
Total changes during period	-	-	(507)	-	(507)	(507)
Balance at end of period	455	532	832	(84)	1,735	1,735

Fiscal year ended December 31, 2025

(Millions of yen)

	Shareholders' equity					Total net assets
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity	
Balance at beginning of period	455	532	832	(84)	1,735	1,735
Changes during period						
Issuance of new shares - exercise of share acquisition rights					–	–
Profit (loss) attributable to owners of parent			110		110	110
Dividends of surplus		(41)			(41)	(41)
Transfer from retained earnings to capital surplus		(108)	108		–	–
Total changes during period	–	(149)	218	–	68	68
Balance at end of period	455	383	1,050	(84)	1,804	1,804

Consolidated statements of cash flows

(Millions of yen)

	Fiscal year ended December 31, 2024	Fiscal year ended December 31, 2025
Cash flows from operating activities		
Profit (loss) before income taxes	(251)	404
Depreciation	298	329
Impairment losses	485	200
Amortization of goodwill	198	188
Increase (decrease) in allowance for doubtful accounts	7	(13)
Increase (decrease) in provision for bonuses	10	21
Increase (decrease) in provision for retirement benefits for directors (and other officers)	4	5
Interest income	(4)	(5)
Interest expenses	30	53
Subsidy income	(33)	(4)
Loss on tax purpose reduction entry of non-current assets	33	4
Decrease (increase) in accounts receivable - trade, and contract assets	(31)	(123)
Increase (decrease) in trade payables	5	9
Increase (decrease) in accounts payable - other	(16)	96
Increase (decrease) in contract liabilities	4	33
Other, net	104	56
Subtotal	845	1,255
Interest received	0	1
Interest paid	(29)	(55)
Income taxes paid	(124)	(164)
Net cash provided by (used in) operating activities	691	1,037
Cash flows from investing activities		
Payments into time deposits	(4)	(47)
Purchase of property, plant and equipment	(278)	(208)
Proceeds from sale of property, plant and equipment	–	6
Purchase of intangible assets	(31)	(26)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(474)	(192)
Payments for acquisition of businesses	(204)	(33)
Subsidies received	33	4
Proceeds from collection of long-term loans receivable	45	48
Payments of leasehold and guarantee deposits	(23)	(90)
Proceeds from refund of leasehold and guarantee deposits	26	6
Other, net	(5)	–
Net cash provided by (used in) investing activities	(916)	(531)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	597	(99)
Proceeds from long-term borrowings	550	630
Repayments of long-term borrowings	(646)	(694)
Dividends paid	(41)	(40)
Repayments of lease liabilities	(1)	(0)
Net cash provided by (used in) financing activities	458	(205)
Net increase (decrease) in cash and cash equivalents	233	299
Cash and cash equivalents at beginning of period	1,862	2,095
Cash and cash equivalents at end of period	2,095	2,395