

Presentation Materials

FY2024 First Quarter Consolidated financial result highlights

July 31, 2024



SANWA HOLDINGS CORPORATION
www.sanwa-hldgs.co.jp

1. Overview of Consolidated Results

July 31, 2024



¥ in millions* %

	FY2023									FY2024								
	1 Q			1st Half			Full Year			1 Q			1st Half			Full Year		
		profit ratio	Y/Y		profit ratio	Y/Y		profit ratio	Y/Y		profit ratio	Y/Y	Forecast	profit ratio	Y/Y	Forecast	profit ratio	Y/Y
Net Sales [assumed forex rate same as the previous year]	132,173		11.1	285,657		6.5	611,107		3.9	142,375 [132,831]		7.7 [0.5]	293,000 [287,148]		2.6 [0.5]	625,000 [624,554]		2.3 [2.2]
Japan	51,315		9.1	121,482		8.1	265,728		5.0	55,635		8.4	123,502		1.7	278,607		4.8
North America (ODC)	51,018		13.1	104,031		3.8	219,919		0.3	55,543		8.9	108,654		4.4	225,038		2.3
Europe (NF)	27,506		9.5	54,445		5.5	111,529		5.8	28,304		2.9	55,691		2.3	112,033		0.5
Asia	2,582		47.8	5,947		47.9	14,352		32.2	3,000		16.2	6,867		15.5	15,462		7.7
Operating Profit [assumed forex rate same as the previous year]	8,670	6.6	77.7	27,733	9.7	29.0	65,360	10.7	16.1	9,931 [8,939]	7.0	14.5 [3.1]	26,500 [25,872]	9.0	-4.4 [-6.7]	62,500 [62,360]	10.0	-4.4 [-4.6]
Japan	560	1.1	(+)	10,487	8.6	23.5	27,732	10.4	12.2	1,114	2.0	98.7	10,083	8.2	-3.9	28,483	10.2	2.7
North America (ODC)	7,616	14.9	71.7	16,476	15.8	40.6	34,502	15.7	18.8	8,568	15.4	12.5	15,416	14.2	-6.4	30,532	13.6	-11.5
Europe (NF)	855	3.1	-16.5	1,253	2.3	-39.7	3,889	3.5	-8.9	419	1.5	-51.0	1,338	2.4	6.7	3,546	3.2	-8.8
Asia	-41	-1.6	(-)	47	0.8	-56.0	575	4.0	122.9	38	1.3	(+)	40	0.6	-14.7	400	2.6	-30.5
Ordinary Profit [assumed forex rate same as the previous year]	8,263	6.3	109.8	27,163	9.5	36.8	64,903	10.6	23.0	10,774 [9,728]	7.6	30.4 [17.7]	26,000 [25,387]	8.9	-4.3 [-6.5]	62,000 [61,857]	9.9	-4.5 [-4.7]
Profit attributable to owners of parent [assumed forex rate same as the previous year]	5,833	4.4	126.5	22,109	7.7	63.9	43,228	7.1	30.7	7,326 [6,582]	5.1	25.6 [12.8]	18,000 [17,555]	6.1	-18.6 [-20.6]	42,500 [42,392]	6.8	-1.7 [-1.9]

《Local currency》

\$ in thousands, € in thousands* %

		FY2023									FY2024								
		1 Q			1st Half			Full Year			1 Q			1st Half			Full Year		
			profit ratio	Y/Y		profit ratio	Y/Y		profit ratio	Y/Y		profit ratio	Y/Y	Forecast	profit ratio	Y/Y	Forecast	profit ratio	Y/Y
Sales	North America (ODC)	\$382,329		-0.2	\$761,910		-5.4	\$1,557,505		-6.1	\$370,587		-3.1	\$765,171		0.4	\$1,584,781		1.8
	Europe (NF)	€191,070		0.1	€368,048		-3.6	€728,140		-4.4	€174,555		-8.6	€366,391		-0.5	€737,062		1.2
Operating Profit	North America (ODC)	\$57,080	14.9	51.5	\$120,674	15.8	28.2	\$244,355	15.7	11.1	\$57,168	15.4	0.2	\$108,565	14.2	-10.0	\$215,015	13.6	-12.0
	Europe (NF)	€5,939	3.1	-23.7	€8,476	2.3	-44.9	€25,396	3.5	-17.6	€2,585	1.5	-56.5	€8,806	2.4	3.9	€23,335	3.2	-8.1

- Figures of [] in FY2024 is assumed forex rate same as FY2023.
- Figures are round off. <+> is for increase, <-> is for decrease from the previous year.
- Forex rate is term average.
- Figures by entities are before consolidation adjustment and do not add up to total.

Forex Rate	FY2023			FY2024		
	1Q	1st Half	Full Year	1Q	1st Half (F)	Full Year (F)
USD	133.44	136.54	141.20	149.88	142.00	142.00
EUR	143.96	147.93	153.17	162.15	152.00	152.00

2. Consolidated FY2024 1Q Results & First Half and Full Year Forecasts

July 31, 2024



	FY2024 First Quarter Results
〈Summary〉	Led by Japan and North America businesses, both sales and profits reached record highs.
Net sales	■ <u>Consolidated net sales increased by 7.7%, 10.2 billion YoY. Excluding currency impact, net sales increased by 0.5% or 0.66 billion yen in real terms.</u> Japan : Increased by 8.4%, 4.32 billion yen. By products, heavy-duty shutters, commercial buildings/condominium doors, partitions, and entrance products performed well. Environmentally friendly products such as waterproof products and high-speed sheet shutters also grew. The maintenance and repair sector showed steady order intakes. North America(ODC) : Decreased by 3.1% on a local currency basis. Volumes for both residential and non-residential products increased year-on-year, however, due to the impact of sales price declines, Vehicular Access SBU decreased by 2.9% (residential -1.1%, non-residential -4.6%). Electronic & Perimeter Access Control SBU (door operators) decreased by 1.1%, and Pedestrian Access SBU decreased by 9.0%. After currency translation, sales increased by 8.9%, 4.53 billion yen. Europe(NF) : Decreased by 8.6% on a local currency basis. By products, hinged doors decreased by 5.5%, garage door sales significantly declined by 16.8% due to a challenging residential market environment, and industrial doors decreased by 6.3%. After currency translation, sales increased by 2.9%, 0.8 billion yen. Asia : Increased by 16.2%, 0.42 billion yen. Taiwan and Hong Kong businesses performed well.
Operating profit	■ <u>Consolidated operating profit increased by 14.5%, 1.26 billion yen YoY. Excluding currency impact, operating profit increased by 3.1% or 0.27 billion yen in real terms.</u> Japan : Increased by 0.55 billion yen. Sanwa Shutter and Japanese subsidiaries increased by 0.41 billion yen and 0.14 billion yen respectively. In addition to the effect of increased volume, the implementation of price pass-through was successful. The recovery of Japanese subsidiaries also had a significant impact. North America(ODC) : Slightly increased by 0.1 million USD. The impact of selling price decline was covered by increased volume and cost reduction, and the operating profit margin improved by 0.5 percentage points to 15.4% year to year. After currency translation, operating profit increased by 12.5%, 0.95 billion yen. Europe(NF) : Decreased by 3.4 million EUR. Decreased as the decline in sales volume and cost increases could not be covered by price pass-through. After currency translation, operating profit decreased by 51% (0.43 billion yen). Asia : Increased by 0.08 billion yen. Taiwan and Hong Kong businesses performed steadily.
Ordinary profit	Ordinary profit increased by 2.51 billion yen. Non-operating income increased by 1.03 billion yen, mainly due to an increase in interest income.
Net profit attributable to owners of the parent	Net profit increased by 1.49 billion yen.

2. Consolidated FY2024 1Q Results & First Half and Full Year Forecasts

July 31, 2024



	FY2024 First Half and Full Year Forecasts
〈Summary〉	Maintain forecasts for first half and full year announced on May 13.
Net sales	■ <u>Maintain forecasts for first half and full year.</u> Japan : Sanwa Shutter is expected to achieve its initial forecast due to steady demand, especially for factory facilities and large-scale redevelopment projects, as well as steady growth in the maintenance and service business. Group companies are also performing steadily and are expected to achieve the initial forecast. North America(ODC) : While the non-residential market is seeing some decrease in warehouse projects, the residential market has bottomed out and is turning towards recovery. Moreover, as efforts continue to maintain selling prices, so the initial forecast is expected to be achieved. Europe(NF) : Although the economic environment is not recovering and market conditions remain challenging, with garage door sales sluggish due to the continued slump in the residential market and challenging market conditions for hinged doors and industrial doors, the initial forecast is expected to be achieved. Asia : Overall progress is steady for all companies, expected to achieve the initial forecast.
Operating Profit	■ <u>Maintain forecasts for first half and full year.</u> Japan : Although various costs are increasing, the initial forecast is expected to be achieved through efforts to implement price pass-through and cost reduction measures. North America(ODC) : In addition to the effect of increasing volume, with efforts to maintain selling prices and cost reduction measures, the initial forecast is expected to be achieved. Europe(NF) : Although various costs are increasing, the initial forecast is expected to be achieved through efforts to implement cost reduction measures. Asia : Each company aims to strengthen business foundation and expected to reach initial forecast.

3. Order Intake and Net Sales by products / Japan Consolidated

July 31, 2024



¥ in millions • %

	FY2023										FY2024									
	1 Q			1st Half			Full Year				1Q			1st Half (F)			Full Year (F)			
	Order Intake	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total	Order Intake	Sales	% to total	Order Intake	Sales	% to total	Order Intake	% to total	Sales	% to total
Lightweight Shutters	<3.0> 6,912	<0.2> 5,916	11.5	<4.7> 13,480	<3.1> 12,994	10.7	<4.0> 26,626	9.5	<2.2> 26,247	9.9	<3.4> 7,148	<4.4> 6,174	11.1	<2.8> 13,853	<1.3> 13,159	10.7	<4.5> 27,826	9.5	<1.5> 26,634	9.6
Heavy-duty Shutters	<6.0> 9,134	<14.3> 6,828	13.3	<5.2> 17,906	<1.1> 15,925	13.1	<14.6> 38,471	13.7	<-0.6> 34,166	12.9	<15.7> 10,571	<7.9> 7,367	13.2	<4.1> 18,648	<-3.4> 15,380	12.5	<1.2> 38,941	13.3	<-0.4> 34,035	12.2
Waterproof/ other Shutters	<10.8> 5,949	<-0.1> 3,880	7.6	<4.0> 11,412	<4.1> 10,048	8.3	<6.2> 23,666	8.4	<4.7> 22,430	8.4	<9.1> 6,490	<31.7> 5,110	9.2	<3.4> 11,803	<4.2> 10,474	8.5	<2.0> 24,140	8.3	<2.3> 22,944	8.2
Comm. Bldgs/ Condominiums Doors	<16.4> 16,915	<10.6> 11,591	22.6	<12.0> 34,001	<11.8> 28,638	23.6	<6.5> 68,001	24.2	<8.6> 65,517	24.7	<0.4> 16,983	<11.1> 12,883	23.2	<2.7> 34,912	<4.7> 29,978	24.3	<2.9> 69,998	24.0	<5.2> 68,946	24.7
Partitions	<20.0> 4,340	<10.4> 2,438	4.8	<20.6> 8,958	<15.2> 6,292	5.2	<20.3> 18,354	6.5	<7.5> 16,021	6.0	<1.7> 4,412	<14.4> 2,788	5.0	<4.9> 9,401	<7.0> 6,730	5.4	<7.0> 19,630	6.7	<6.9> 17,124	6.1
Entrance	<40.3> 10,092	<14.8> 6,655	13.0	<29.7> 19,963	<13.4> 15,587	12.8	<16.1> 38,027	13.5	<9.6> 34,183	12.9	<-8.6> 9,229	<10.7> 7,365	13.2	<2.4> 20,449	<-2.2> 15,244	12.3	<3.9> 39,510	13.5	<15.0> 39,327	14.1
Housing-related Products	<5.9> 4,229	<6.5> 3,996	7.8	<2.2> 8,353	<3.6> 8,275	6.8	<-1.2> 16,152	5.8	<-0.4> 16,196	6.1	<-9.1> 3,844	<-9.9> 3,602	6.5	<3.9> 8,677	<3.7> 8,581	6.9	<5.7> 17,070	5.8	<5.4> 17,069	6.1
Maintenance & Repair	<4.7> 12,351	<9.8> 9,328	18.2	<4.9> 24,498	<8.9> 22,377	18.4	<4.9> 48,907	17.4	<4.8> 48,661	18.3	<11.3> 13,747	<1.9> 9,501	17.1	<5.7> 25,898	<3.2> 23,094	18.7	<7.9> 52,770	18.1	<3.9> 50,551	18.1
Others	<76.5> 757	<36.3> 679	1.3	<52.6> 1,519	<36.2> 1,342	1.1	<10.0> 2,649	0.9	<3.4> 2,303	0.9	<-37.9> 470	<23.9> 841	1.5	<-29.0> 1,079	<-35.9> 860	0.7	<-16.9> 2,200	0.8	<-14.2> 1,976	0.7
Total	<13.5> 70,684	<9.2> 51,315	100.0	<10.7> 140,095	<8.1> 121,482	100.0	<8.6> 280,856	100.0	<5.1> 265,728	100.0	<3.1> 72,900	<8.4> 55,635	100.0	<3.3> 144,724	<1.7> 123,502	100.0	<4.0> 292,088	100.0	<4.8> 278,607	100.0
	the end of Jun. 2023			the end of Sep. 2023			the end of Mar. 2024				the end of Jun. 2024			the end of Sep. 2024(F)			the end of Mar. 2025(F)			
Outstanding Order Backlog	128,609			127,750			124,941				142,156			146,164			138,422			

1) < > = % year on year 2) Outstanding Order Backlog = Backlog of orders including orders worked-in-process

3) The disclosed product groups were changed. OSD, shutters, and waterproof-related products, which were previously disclosed, are now included in "Waterproof/other shutters", stainless steel products, front products, and automatic door engines are included in "Entrance" and residential doors, window products, and exterior products are included in "Housing-related Products".

4. North America & Europe : Net Sales by products (ODC, NF)

July 31, 2024



ODC Group Sales Performance

\$ in thousands, <1%yoy>

		FY2023						FY2024					
		1Q		1st Half		Full Year		1Q		1st Half(F)		Full Year(F)	
			%to total		%to total		%to total		%to total		%to total		%to total
Sales breakdown by Products													
	Vehicular Access	<-2.5> 278,291	72.8	<-8.9> 551,749	72.4	<-8.2> 1,125,900	72.3	<-2.9> 270,213	72.9	<-1.3> 544,852	71.2	<-1.3> 1,111,361	70.1
	Residential	<-11.1> 136,105	35.6	<-16.4> 267,595	35.1	<-14.6> 556,566	35.7	<-1.1> 134,625	36.3	<-1.5> 263,553	34.4	<-3.4> 537,853	33.9
	Commercial	<7.4> 142,186	37.2	<-0.6> 284,155	37.3	<-1.0> 569,333	36.6	<-4.6> 135,589	36.6	<-1.0> 281,299	36.8	<0.7> 573,508	36.2
	Electronic & Perimeter Access Control	<0.7> 72,456	19.0	<-1.5> 146,262	19.2	<-5.3> 300,878	19.3	<-1.1> 71,649	19.3	<6.2> 155,317	20.3	<8.0> 325,019	20.5
	Pedestrian Access	<23.7> 31,582	8.3	<25.8> 63,899	8.4	<13.7> 130,727	8.4	<-9.0> 28,725	7.8	<1.7> 65,002	8.5	<13.5> 148,401	9.4
Net Sales		<-0.2> 382,329	100.0	<-5.4> 761,910	100.0	<-6.1> 1,557,505	100.0	<-3.1> 370,587	100.0	<0.4> 765,171	100.0	<1.8> 1,584,781	100.0

1) < > = % year on year

2) Previous "Door" "Operator" "Automatic Door" are now "Vehicular Access" "Electronic & Perimeter Access Control" "Pedestrian Access" respectively.

NF Group Sales Performance

€ in thousands, <1%yoy>

		FY2023						FY2024					
		1Q		1st Half		Full Year		1Q		1st Half(F)		Full Year(F)	
			%to total		%to total		%to total		%to total		%to total		%to total
Sales breakdown by Products													
	Hinged Door	<5.0> 53,523	28.0	<-0.7> 102,555	27.9	<-0.9> 206,286	28.3	<-5.5> 50,565	29.0	<-0.9> 101,664	27.8	<0.4> 207,064	28.1
	Garage Door	<-4.4> 46,607	24.4	<-7.5> 88,807	24.1	<-6.8> 169,519	23.3	<-16.8> 38,783	22.2	<-2.1> 86,923	23.7	<1.6> 172,166	23.4
	Industrial Door	<-0.3> 90,941	47.6	<-3.1> 176,687	48.0	<-5.1> 352,335	48.4	<-6.3> 85,207	48.8	<0.6> 177,804	48.5	<1.6> 357,832	48.5
Net Sales		<0.1> 191,070	100.0	<-3.6> 368,048	100.0	<-4.4> 728,140	100.0	<-8.6> 174,555	100.0	<-0.5> 366,391	100.0	<1.2> 737,062	100.0

1) < > = % year on year