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August 8, 2025

Consolidated Financial Results for the Three Months Ended June 30, 2025 (Under Japanese GAAP)

Company name: MIDAC HOLDINGS CO., LTD.
Listing: Tokyo Stock Exchange, Nagoya Stock Exchange
Securities code: 6564
URL: https://www.midac.jp
Representative: Keiko Kato, President
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: No

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2025	2,704	1.3	1,151	△0.9	1,116	△2.2	697	△3.7
June 30, 2024	2,669	25.1	1,162	40.4	1,141	40.6	724	45.1

Note: Comprehensive income For the three months ended June 30, 2025: ¥698 million [△3.6%]
For the three months ended June 30, 2024: ¥724 million [45.0%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
June 30, 2025	25.23	25.22
June 30, 2024	26.20	26.20

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
June 30, 2025	33,000	15,768	47.7
March 31, 2025	28,492	15,452	54.1

Reference: Equity
As of June 30, 2025: ¥15,729 million
As of March 31, 2025: ¥15,413 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, 2025	–	0.00	–	14.00	14.00
Fiscal year ending March 31, 2026	–				
Fiscal year ending March 31, 2026 (Forecast)		0.00	–	18.00	18.00

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

3. Consolidated earnings forecasts for the fiscal year ending March 31, 2026 (from April 1, 2025 to March 31, 2026)

(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
Six months ending September 30, 2025	5,547	7.8	2,020	5.7	1,974	6.2	1,188	0.8	42.98
Fiscal year ending March 31, 2026	11,617	6.5	4,792	5.7	4,700	5.6	2,930	2.4	105.96

Note: Revisions to the consolidated earnings forecasts most recently announced: None

*** Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Newly included: 1 company (TAIHEI KOSAN CO., LTD.)

(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

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies due to other reasons: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

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

As of June 30, 2025	27,773,500 shares
As of March 31, 2025	27,773,500 shares

(ii) Number of treasury shares at the end of the period

As of June 30, 2025	114,722 shares
As of March 31, 2025	115,322 shares

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

Three months ended June 30, 2025	27,658,573 shares
Three months ended June 30, 2024	27,658,179 shares

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

* Proper use of earnings forecasts, and other special matters

The forward-looking statements including business results forecasts in this document are based on information currently available to the Company and certain assumptions that the Company considers reasonable, and are not intended to be a promise by the Company that they will be achieved. Actual results may differ significantly due to various factors. For the suppositions that form the assumptions for earnings forecasts and points to note concerning the use thereof, please refer to “1. Qualitative information regarding financial results for the three months ended June 30, 2025 (3) Explanation regarding consolidated earnings forecasts and other forward-looking statements” on page 3 of the attached materials.

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1. Qualitative information regarding financial results for the three months ended June 30, 2025

(1) Explanation regarding operating results

Although the economy is on a moderate recovery trend due to the improvement in the employment and income environment, the outlook for the domestic and overseas economies remains uncertain due to factors such as the U.S. Trump administration's tariff policy and the turmoil in the Middle East and Ukraine, as well as the impact of price increases, including energy prices.

Under these circumstances, under the First Medium-Term Plan, which aims to realize the Midac Group Ten Year Vision, "Challenge 80th,"the MIDAC HOLDINGS Group (the “Group”) has have worked to strengthen the profitability of existing businesses in order to "build a foundation for accelerated growth.”.

First, in Organic growth, we worked to expand the amount of contracted waste centered on “Okuyama-No-Mori Clean Center”, Controlled landfill site, and the amount of contracted waste increased due to the entrustment of new large-scale projects and an increase in the volume of transactions with existing customers. With regard to Controlled landfill site “Enshu Clean Center” and Stable landfill site “Hamanako Clean Center” in the same region, both landfill sites have completed construction work to increase the landfill capacity and are now in service.

In M&A Growth, sales declined at FRIEND SANITARY CO., LTD. due to a reactionary decline from the previous fiscal year in spot-related projects. At ENSHU CRUSHED STONE CO., LTD., there was no acceptance of residual soil discharged from the second through fourth phases of Okuyama-No-Mori Clean Center construction, which contributed to higher earnings in the previous fiscal year.

As a result of the above, for the three months ended June 30, 2025, net sales amounted to 2,704 million yen (+1.3% year-on-year), operating profit amounted to 1,151 million yen (-0.9%), ordinary profit amounted to 1,116 million yen (-2.2%), and profit attributable to owners of parent amounted to 697 million yen (-3.7%).

Business performance by segment was as follows.

(i) Waste treatment business

At landfill sites, the contracted waste volume at landfill sites increased significantly due to strong landfill demand. In the intermediate treatment facilities as well, the volume of contracts from existing customers remained stable. As a result of the above, net sales amounted to 2,186 million yen (+4.4%) and segment profit amounted to 1,360 million yen (+8.9%).

(ii) Collection and transportation business

In the industrial waste business, the volume of contracted waste declined from the previous fiscal year, mainly due to a decrease in large-scale projects, despite efforts to pass on cost increases to business partners. In general waste, while there was a decrease in spot orders for FRIEND SANITARY CO., LTD. compared to the previous fiscal year, contract volume increased from the previous fiscal year as a result of efforts to develop new customers, mainly restaurants, at MIDAC LINER CO., LTD. As a result, of the above, net sales amounted to 463 million yen (-2.5%) and segment profit amounted to 101 million yen (-24.9%).

(iii) Intermediary management business

Intermediary to partner companies was favorable due to the acquisition of large-scale projects. As a result of the above, net sales amounted to 41 million yen (+23.4%) and segment profit amounted to 29 million yen (+21.1%).

(2) Explanation regarding financial position

(Assets)

Current assets as of June 30, 2025 amounted to 8,023 million yen, a decrease of 1,581 million yen from the end of the previous fiscal year. This was mainly due to a decrease in cash and deposits of 1,503 million yen. In addition, non-current assets amounted to 24,977 million yen, an increase of 6,089 million yen from the end of the previous fiscal year. This was mainly due to an increase in goodwill of 2,495 million yen and an increase in construction in progress of 1,739 million yen.

As a result, total assets amounted to 33,000 million yen, an increase of 4,507 million yen from the end of the previous fiscal year.

(Liabilities)

Current liabilities as of June 30, 2025 amounted to 3,724 million yen, a decrease of 268 million yen from the end of the previous fiscal year. This was mainly due to a decrease in income taxes payable of 396 million yen.

In addition, non-current liabilities amounted to 13,506 million yen, an increase of 4,459 million yen from the end of the previous fiscal year. This was mainly due to an increase in the provisiion for maintenance of landfill sites of 3,387 million yen and an increase in the provision for special repairs of 1,166 million yen.

As a result, total liabilities amounted to 17,231 million yen, an increase of 4,190 million yen from the end of the previous fiscal year.

(Net assets)

Total net assets as of June 30, 2025 amounted to 15,768 million yen, an increase of 316 million yen from the end of the previous fiscal year. This was mainly due to factors such as an increase in retained earnings of 310 million yen as a result of the recording of profit attributable to owners of parent of 697 million yen, etc.

(3) Explanation regarding consolidated earnings forecasts and other forward-looking statements

No revisions have been made to the consolidated earnings forecasts announced in “Consolidated Financial Results for the Fiscal Year Ended March 31, 2025” on May 15, 2025.

2. Quarterly consolidated financial statements and significant notes thereto

(1) Consolidated balance sheet

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Assets		
Current assets		
Cash and deposits	8,115,702	6,612,245
Notes and accounts receivable - trade	1,129,335	1,008,874
Inventories	82,930	96,141
Other	280,222	310,680
Allowance for doubtful accounts	(2,976)	(4,612)
Total current assets	9,605,214	8,023,329
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	982,680	967,767
Machinery, equipment and vehicles, net	810,970	793,524
Landfill site, net	4,683,563	5,219,134
Land	5,226,940	5,472,830
Construction in progress	4,274,086	6,013,260
Other, net	78,910	73,761
Total property, plant and equipment	16,057,152	18,540,278
Intangible assets		
Goodwill	952,691	3,447,806
Facility installation right	40,100	30,075
Other	126,108	119,922
Total intangible assets	1,118,899	3,597,803
Investments and other assets		
Investment securities	255,064	255,507
Deferred tax assets	652,223	631,909
Other	804,355	1,951,800
Total investments and other assets	1,711,644	2,839,216
Total non-current assets	18,887,696	24,977,298
Total assets	28,492,911	33,000,628

(Thousands of yen)

	As of March 31, 2025	As of June 30, 2025
Liabilities		
Current liabilities		
Accounts payable - trade	35,475	19,279
Short-term borrowings	1,290,000	1,290,000
Current portion of long-term borrowings	960,522	901,580
Income taxes payable	677,721	281,235
Accounts payable - other	472,294	531,596
Provision for bonuses	148,640	73,810
Other	408,721	627,256
Total current liabilities	3,993,375	3,724,758
Non-current liabilities		
Bonds payable	200,000	240,000
Long-term borrowings	6,872,794	6,669,787
Deferred tax liabilities	87,678	84,208
Retirement benefit liability	52,066	127,100
Provision for retirement benefits for directors (and other officers)	758,000	758,000
Provision for maintenance of landfill site	938,943	4,326,246
Provision for special repairs	—	1,166,869
Asset retirement obligations	112,571	112,580
Other	25,455	22,125
Total non-current liabilities	9,047,509	13,506,916
Total liabilities	13,040,885	17,231,675
Net assets		
Shareholders' equity		
Share capital	90,000	90,000
Capital surplus	4,923,132	4,927,325
Retained earnings	10,504,329	10,814,930
Treasury shares	(103,572)	(103,033)
Total shareholders' equity	15,413,889	15,729,221
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(472)	(205)
Total accumulated other comprehensive income	(472)	(205)
Share acquisition rights	38,609	39,936
Total net assets	15,452,026	15,768,952
Total liabilities and net assets	28,492,911	33,000,628

(2) Consolidated statement of income (cumulative) and consolidated statement of comprehensive income (cumulative)

Consolidated statement of income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Net sales	2,669,779	2,704,015
Cost of sales	933,466	923,092
Gross profit	1,736,312	1,780,922
Selling, general and administrative expenses	574,192	629,777
Operating profit	1,162,120	1,151,144
Non-operating income		
Interest income	417	1,033
Rental income from real estate	2,100	2,419
Gain on sale of non-current assets	2,835	458
Other	2,511	1,816
Total non-operating income	7,864	5,727
Non-operating expenses		
Interest expenses	26,804	32,826
Other	1,374	7,333
Total non-operating expenses	28,179	40,160
Ordinary profit	1,141,805	1,116,710
Profit before income taxes	1,141,805	1,116,710
Income taxes	417,110	418,895
Profit	724,694	697,815
Profit attributable to owners of parent	724,694	697,815

Consolidated statement of comprehensive income (cumulative)

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Profit	724,694	697,815
Other comprehensive income		
Valuation difference on available-for-sale securities	(669)	267
Total other comprehensive income	(669)	267
Comprehensive income	724,025	698,082
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	724,025	698,082

(3) Notes to quarterly consolidated financial statements

(Notes on changes in accounting policies)

Not applicable.

(Notes on premise of going concern)

Not applicable.

(Notes on significant changes in the amount of shareholders' equity)

Not applicable.

(Notes on quarterly consolidated statement of cash flows)

Quarterly consolidated statement of cash flows has not been prepared for the three months ended June 30, 2025. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the three months ended June 30, 2025 are as follows:

(Thousands of yen)

	Three months ended June 30, 2024	Three months ended June 30, 2025
Depreciation	176,212	163,729
Amortization of goodwill	66,994	66,994

(Notes on segment information)

Segment information

I Three months ended June 30, 2024 (from April 1, 2024 to June 30, 2024)

Information on the amounts of net sales, profit or loss and information on disaggregation of revenue by reportable segment

(Thousands of yen)

	Reportable segments				Other Note: 3	Adjustments Note: 1	Amount recorded on quarterly consolidated statement of income Note: 2
	Waste treatment	Collection and transportation	Intermediary management	Total			
Net sales							
Revenue from contracts with customers	2,094,048	475,571	33,711	2,603,331	66,447	–	2,669,779
Sales to external customers	2,094,048	475,571	33,711	2,603,331	66,447	–	2,669,779
Intersegment sales or transfers	81,298	2,338	8,131	91,767	351	(92,118)	–
Total	2,175,346	477,910	41,842	2,695,099	66,798	(92,118)	2,669,779
Segment profit	1,250,184	134,662	24,669	1,409,516	38,821	(286,217)	1,162,120

Notes: 1. The adjustments to segment profit of (286,217) thousand yen are mainly corporate expenses that are not allocated to each reportable segment.

2. Segment profit is adjusted with operating profit in the consolidated statement of income.

3. The “Other” category is a business segment that is not included in the reportable segment.

II Three months ended June 30, 2025 (from April 1, 2025 to June 30, 2025)

Information on the amounts of net sales, profit or loss and information on disaggregation of revenue by reportable segment

(Thousands of yen)

	Reportable segments				Other Note: 3	Adjustments Note: 1	Amount recorded on quarterly consolidated statement of income Note: 2
	Waste treatment	Collection and transportation	Intermediary management	Total			
Net sales							
Revenue from contracts with customers	2,186,060	463,877	41,599	2,691,537	12,477	–	2,704,015
Sales to external customers	2,186,060	463,877	41,599	2,691,537	12,477	–	2,704,015
Intersegment sales or transfers	86,060	1,998	7,927	95,985	1,465	(97,451)	–
Total	2,272,120	465,876	49,527	2,787,523	13,942	(97,451)	2,704,015
Segment profit or loss	1,360,859	101,164	29,883	1,491,906	(15,755)	(325,006)	1,151,144

Notes: 1. The adjustments to segment profit or loss of (325,006) thousand yen are mainly corporate expenses that are not allocated to each reportable segment.

2. Segment profit or loss is adjusted with operating profit in the consolidated statement of income.

3. The “Other” category is a business segment that is not included in the reportable segment.

(Business combinations)

（Business combination by acquisition）

1. Outline of business combination

(1) Name of acquired company and its business content

Name of acquired company: TAIHEI KOSAN CO., LTD.

Description of business: Collection, transportation and treatment of industrial and general waste

(2) Main reason for business combination

The addition of TAIHEI KOSAN CO., LTD. to our group will be an opportunity for us to evolve into one of the industry's leading comprehensive waste processing companies.

(3) Date of business combination

April 14, 2025

(4) Legal form of business combination

Stock acquisition

(5) Name of company after business combination

No change

(6) Ratio of voting rights acquired

100%

(7) Main reason for deciding the acquiring enterprise

This was due to the Company acquiring shares in exchange for cash.

2. Period of results of the acquired company included in the quarterly consolidated statement of income for the period under review

As the quarterly fiscal year end date is the deemed acquisition date, there is no period for which the results of the acquired company are included in the quarterly consolidated statements of income.

3. Acquisition cost for the acquired enterprise and breakdown by type of consideration

Consideration for acquisition Cash 100,000 thousand yen

Acquisition cost 100,000 thousand yen

4. Amount of goodwill recognized, the reason for recognition, and the method and period of amortization

(1) Amount of goodwill recognized

2,562,109 thousand yen

The amount of goodwill is provisionally calculated because the allocation of acquisition costs has not been completed at the end of the current quarterly consolidated accounting period.

(2) Reason for recognition

This is generated from the future excess earnings power expected from future business development.

(3) Method and period of amortization

The investment will be amortized equally over the period in which the investment effect is realized. The amortization period is currently being calculated.