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February 13, 2026

Consolidated Financial Results for the Nine Months Ended December 31, 2025 (Under Japanese GAAP)

Company name: SUNCORPORATION
Listing: Tokyo Stock Exchange
Securities code: 6736
URL: https://www.sun-denshi.co.jp
Representative: Ryusuke Utsumi President and Representative Director
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Scheduled date to commence dividend payments: -
Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: None

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

1. Consolidated financial results for the nine months ended December 31, 2025 (from April 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative) (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2025	7,402	(6.7)	(136)	-	3,499	-	6,896	(59.6)
December 31, 2024	7,931	6.2	(169)	-	12	-	17,070	-

Note: Comprehensive income For the nine months ended December 31, 2025: ¥ 5,418 million [(34.7) %]
For the nine months ended December 31, 2024: ¥ 8,291 million [-%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2025	313.34	313.00
December 31, 2024	767.00	765.61

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
December 31, 2025	51,497	44,941	87.2
March 31, 2025	53,127	47,608	89.5

Reference: Equity
As of December 31, 2025: ¥ 44,898 million
As of March 31, 2025: ¥ 47,545 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	-	50.00	-	50.00	100.00
Fiscal year ending March 31, 2026	-	0.00	-		
Fiscal year ending March 31, 2026 (Forecast)				-	-

Note: The dividend forecast for the fiscal year ending March 31, 2026 is undecided at this time.

3. Consolidated financial result 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
Full year	10,300	(5.0)	(210)	-	5,500	674.8	8,800	(48.9)	399.84

Note: Revisions to the financial result forecast most recently announced: Yes

*** Notes**

(1) Significant changes in the scope of consolidation during the period: 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

(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 December 31, 2025	24,007,728 shares
As of March 31, 2025	24,007,728 shares

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

As of December 31, 2025	2,489,908 shares
As of March 31, 2025	1,740,467 shares

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

Nine months ended December 31, 2025	22,008,448 shares
Nine months ended December 31, 2024	22,256,021 shares

* (Note) The number of treasury shares at the end of the period, and the number of treasury shares to be deducted in the calculation of the average number of shares during the period, include the Company's shares held by the Stock Benefit Trust (BBT) and the Stock Benefit Trust (J-ESOP).

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

* Proper use of earnings forecasts, and other special matters: The forward-looking statements in this document, including earnings forecasts, are based on information currently available to the Company and certain assumptions that the Company deems 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 conditions and notes used for making prepositions of financial forecasts, please refer to "1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2025 (3) Consolidated earnings forecasts and other forward-looking statements (Page 3 on the Appendix).

1. Qualitative Information on Financial Results for the Nine Months Ended December 31, 2025

(1) Explanation of Operating Results

During the nine months ended December 31, 2025, the Japanese economy recovered moderately as the employment and income environment improved and various government policies took effect, although the impact of U.S. trade policies was observed in some industries.

With our management policy upholding “Focusing on the information technology and entertainment fields,” “Striving to enhance corporate value,” and “Taking proactive actions with entrepreneurial spirit,” the Group drives the following three pillar activities as a mid- to long-term management strategy.

(1) Creating new customer value in the field related to information technology (security and M2M/IoT)
(2) Creating new IP in the field related to entertainment (game machines and games)
(3) Developing and expanding business in global markets

As a result, key operating results during the nine months ended December 31, 2025 were as follows.

	Nine months ended December 31, 2024 (Millions of yen)	Nine months ended December 31, 2025 (Millions of yen)	Year-on-year change in amount (Millions of yen)	Year-on-year change in percent (%)
Net sales	7,931	7,402	(529)	(6.7)
Gross profit	2,082	1,973	(109)	(5.3)
Operating loss	(169)	(136)	33	—
Ordinary profit (loss)	12	3,499	3,486	—
Profit attributable to owners of parent	17,070	6,896	(10,174)	(59.6)

Main factors of increase/decrease

Compared with the same period of the previous fiscal year, net sales for the nine months ended December 31, 2025 decreased by 529 million yen to 7,402 million yen. This was primarily due to a decrease in the shipment volume of components for gaming machines in the Entertainment-related business, and the completion of a cycle of demand driven by the migration from 3G to LTE (4G) in the IT-related business. Gross profit decreased by 109 million yen to 1,973 million yen. Regarding operating loss, although selling, general and administrative expenses decreased by 142 million yen, the loss amounted to 136 million yen. Ordinary profit increased by 3,486 million yen to 3,499 million yen, mainly due to the recording of 3,502 million yen in investment gain on equity method from Cellebrite, a subsidiary accounted for under the equity method. Profit attributable to owners of parent decreased by 10,174 million yen to 6,896 million yen. This was resulting from the recording of 3,469 million yen in gain on change in equity interest of Cellebrite, which represented a decrease of 14,091 million yen compared to the same period of the previous fiscal year.

<Overview of individual segments>

[Global Data Intelligence business]

	Nine months ended December 31, 2024 (Millions of yen)	Nine months ended December 31, 2025 (Millions of yen)	Year-on-year change in amount (Millions of yen)	Year-on-year change in percent (%)
Net sales	878	881	2	0.3
Gross profit	223	198	(24)	(10.9)
Segment profit	111	84	(26)	(23.9)

Main factors of increase/decrease

Although net sales increased year-on-year, driven by factors such as an increase in orders received from subscription businesses, profits decreased. This was due to unfavorable conditions for some orders.

[Entertainment-related business]

	Nine months ended December 31, 2024 (Millions of yen)	Nine months ended December 31, 2025 (Millions of yen)	Year-on-year change in amount (Millions of yen)	Year-on-year change in percent (%)
Net sales	4,481	4,229	(251)	(5.6)
Gross profit	1,113	1,006	(106)	(9.6)
Segment profit	438	453	15	3.4

Main factors of increase/decrease

In the Gaming Machine business, although net sales decreased year-on-year due to factors such as a decline in the shipment volume of components for gaming machines, profit increased as a result of a reduction in selling, general and administrative expenses.

In the Game Content business, despite the release of new titles, both net sales and profit decreased compared with the same period of the previous fiscal year.

[IT-related business]

	Nine months ended December 31, 2024 (Millions of yen)	Nine months ended December 31, 2025 (Millions of yen)	Year-on-year change in amount (Millions of yen)	Year-on-year change in percent (%)
Net sales	2,587	2,309	(278)	(10.7)
Gross profit	729	754	24	3.4
Segment profit	135	201	65	48.4

Main factors of increase/decrease

In the M2M business, the cycle of demand for migration from 3G to LTE (4G) – triggered by telecommunications carriers' scheduled shutdowns of 3G services by March 2026 – has run its course. Meanwhile, shipment volumes decreased due to delays in developing and deploying new products centered on 5G and edge AI. Consequently, although net sales declined year-on-year due to these factors and increased security measure costs for industrial networks, profit increased as a result of a reduction in selling, general and administrative expenses.

[Wellness business]

	Nine months ended December 31, 2025 (Millions of yen)
Net sales	—
Gross profit	—
Segment profit	(22)

Status of Activities

Regarding the Wellness Business, the Company is currently in the process of making various preparations, through the Company’s consolidated subsidiary Sun Digital Health Inc., for the domestic launch of products from MyWaves Technologies Limited. MyWaves Technologies Limited is a leader in the field of improving sleep quality using sleep-tech.

(2) Explanation of Financial Position

< Status of assets, liabilities, and net assets>

	As of March 31, 2025 (Millions of yen)	As of Dec. 31, 2025 (Millions of yen)	Year-on-year change in amount (Millions of yen)	Year-on-year change in percent (%)
Current assets	16,733	9,448	(7,284)	(43.5)
Non-current assets	36,394	42,049	5,654	15.5
Total assets	53,127	51,497	(1,629)	(3.1)
Current liabilities	5,240	6,315	1,075	20.5
Non-current liabilities	278	240	(37)	(13.6)
Total liabilities	5,519	6,556	1,037	18.8
Total net assets	47,608	44,941	(2,666)	(5.6)

Main factors of increase/decrease

(Assets)

- Current Assets:
  - The main factor for the decrease was a decline of 7,100 million yen in money held in trust.
- Non-current Assets:
  - The main factor for the increase was an increase of 5,327 million yen in shares of subsidiaries and associates.

(Liabilities)

- Current Liabilities:
  - The main factors for the increase were increases of 625 million yen in short-term borrowings and 431 million yen in contract liabilities.
- Non-current Liabilities:
  - The main factor for the decrease was a decrease of 34 million yen in long-term borrowings.

(Net assets)

- Net Assets:
  - The main factors for the decrease were an increase of 7,182 million yen in treasury shares and a decrease of 1,722 million yen in the foreign currency translation adjustment account.
  - On the other hand, the main factor for the increase was an increase of 5,782 million yen in retained earnings.

(3) Consolidated earnings forecasts and other forward-looking statements

Regarding the consolidated earnings forecasts, the Company has revised its forecasts for the fiscal year ending March 31, 2026, which were previously announced on May 15, 2025, based on recent business trends. For details, please refer to the "Notice Concerning Revision of Full-year Earnings Forecasts" announced today (February 13, 2026).

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of March 31, 2025	As of December 31, 2025
Assets		
Current assets		
Cash and deposits	2,148,549	2,433,533
Money held in trust	7,800,000	700,000
Notes and accounts receivable - trade	1,740,838	1,602,807
Accounts receivable	231,875	39,365
Finished goods	598,734	454,817
Work in process	346,286	426,749
Raw materials	3,182,265	2,762,649
Deposits paid	22,566	111,608
Other	662,427	917,508
Allowance for doubtful accounts	(199)	(99)
Total current assets	16,733,345	9,448,940
Non-current assets		
Property, plant and equipment		
Land	949,043	949,043
Other, net	455,977	427,951
Total property, plant and equipment	1,405,020	1,376,994
Intangible assets		
Goodwill	478,136	435,158
Other	205,463	175,789
Total intangible assets	683,600	610,948
Investments and other assets		
Investment securities	10,774,890	11,296,178
Deferred tax assets	571,500	476,609
Shares of subsidiaries and associates	22,243,678	27,571,670
Other	715,423	716,647
Total investments and other assets	34,305,492	40,061,105
Total non-current assets	36,394,113	42,049,049
Total assets	53,127,459	51,497,989

(Thousands of yen)

	As of March 31, 2025	As of December 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	880,950	979,492
Short-term borrowings	2,291,548	2,917,367
Current portion of long-term borrowings	36,504	46,178
Accrued expenses	295,859	399,290
Income taxes payable	2,893	49,133
Advances received	62,358	47,703
Contract liabilities	1,135,648	1,567,033
Provision for bonuses	98,048	130,016
Other	436,622	179,602
Total current liabilities	5,240,433	6,315,819
Non-current liabilities		
Long-term borrowings	217,442	182,495
Deferred tax liabilities	8,219	6,395
Deferred tax liabilities for land revaluation	10,212	10,212
Retirement benefit liability	11,714	12,177
Other	31,157	29,503
Total non-current liabilities	278,746	240,783
Total liabilities	5,519,180	6,556,603
Net assets		
Shareholders' equity		
Share capital	2,097,606	2,097,606
Capital surplus	3,340,696	3,570,464
Retained earnings	41,767,144	47,549,815
Treasury shares	(3,584,241)	(10,766,525)
Total shareholders' equity	43,621,205	42,451,361
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	62,932	221,949
Deferred gains or losses on hedges	(12,613)	73,572
Revaluation reserve for land	(434,495)	(434,495)
Foreign currency translation adjustment	4,308,958	2,586,351
Total accumulated other comprehensive income	3,924,782	2,447,378
Share award rights	24,673	10,095
Share acquisition rights	37,617	32,551
Total net assets	47,608,278	44,941,386
Total liabilities and net assets	53,127,459	51,497,989

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income

For the Nine-Month Period

(Thousands of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Net sales	7,931,148	7,402,081
Cost of sales	5,848,397	5,428,704
Gross profit	2,082,751	1,973,376
Selling, general and administrative expenses	2,252,301	2,109,771
Operating loss	(169,550)	(136,395)
Non-operating income		
Interest and dividend income	224,377	201,422
Foreign exchange gains	-	460
Share of profit of entities accounted for using equity method	-	3,502,441
Other	5,005	3,294
Total non-operating income	229,383	3,707,618
Non-operating expenses		
Interest expenses	15,578	23,203
Foreign exchange losses	20,370	-
Commission for purchase of treasury shares	-	34,995
Commission expenses	10,744	13,064
Other	839	891
Total non-operating expenses	47,531	72,155
Ordinary profit	12,300	3,499,068
Extraordinary income		
Gain on sale of non-current assets	2,330	-
Gain on sale of investment securities	-	595
Gain on change in equity	17,560,330	3,469,023
Gain on reversal of share acquisition rights	17,362	-
Total extraordinary income	17,580,024	3,469,619
Extraordinary losses		
Impairment losses	26,717	-
Other	43	0
Total extraordinary losses	26,760	0
Profit before income taxes	17,565,563	6,968,687
Income taxes - current	1,067,855	39,811
Income taxes - deferred	(572,654)	32,841
Total income taxes	495,200	72,653
Profit	17,070,363	6,896,033
Profit attributable to owners of parent	17,070,363	6,896,033

Quarterly Consolidated Statement of Comprehensive Income

For the Nine-Month Period

(Thousands of yen)

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Profit	17,070,363	6,896,033
Other comprehensive income		
Valuation difference on available-for-sale securities	(9,037,432)	162,431
Foreign currency translation adjustment	131,730	3,637
Share of other comprehensive income of entities accounted for using equity method	126,661	(1,643,473)
Total other comprehensive income	(8,779,040)	(1,477,404)
Comprehensive income	8,291,322	5,418,629
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	8,291,322	5,418,629

(3) Notes on Semi-annual Consolidated Financial Statements

(Notes regarding assumption of going concern)

Not applicable

(Notes on Significant Changes in Shareholders' Equity)

The Company acquired 767,300 shares of treasury shares based on the resolution of the Board of Directors meeting held on August 8, 2025, and disposed of 17,859 shares of treasury shares due to the exercise of stock options, etc. As a result, treasury shares increased by 7,182,283 thousand yen during the current cumulative consolidated period, and treasury shares at the end of the current cumulative consolidated period amounted to 10,766,525 thousand yen.

(Additional Information)

(Transaction Delivering the Company's Shares to Employees, etc. Through a Trust)

1. Board Benefit Trust (BBT) for Directors

Based on the resolution of the 54th Ordinary General Meeting of Shareholders held on June 24, 2025, the Company introduced a performance-based stock compensation plan, the "Board Benefit Trust (BBT)" (hereinafter referred to as "the Plan"), and the trust commenced in August 2025.

The purpose of the Plan is to further clarify the linkage between the compensation for the Company's Directors (excluding Directors who are Audit and Supervisory Committee Members) and Executive Officers and the Company's stock value, and to raise their awareness of contributing to medium- to long-term performance improvement and the increase of corporate value by sharing not only the benefits of a rise in stock price but also the risks of a fall in stock price with shareholders.

(1) Overview of the Transaction

The Plan is a stock compensation plan under which the Company's shares are acquired through a trust (the trust established under the Plan is hereinafter referred to as "the Trust"), funded by cash contributed by the Company. In accordance with the Company's Officer Stock Benefit Regulations, the Company's shares and cash equivalent to the Company's shares converted at market value (hereinafter referred to as "the Company's Shares, etc.") are delivered to the Directors, etc. through the Trust. As a general rule, the Company's Shares, etc. will be delivered to the Directors, etc. at a specific time each year.

(2) Company's Shares Remaining in the Trust

The Company's shares remaining in the Trust are recorded as treasury stock in the net assets section at their book value in the trust (excluding incidental expenses). The book value and number of shares of said treasury stock at the end of the current cumulative consolidated period were 180,300 thousand yen and 30,000 shares, respectively.

2. Stock Benefit Trust (J-ESOP) for Employees

Based on the resolution of the Board of Directors meeting held on August 8, 2025, the Company has introduced a "Stock Benefit Trust (J-ESOP)" (hereinafter referred to as "the Plan") to deliver the Company's shares to its employees.

(1) Overview of the Transaction

This is a plan to deliver the Company's shares to the Company's employees who meet certain requirements, based on the Company's "Stock Benefit Regulations."

Based on the Stock Benefit Regulations, the Company grants points to its employees according to the Company's performance, etc. When the Company's shares, etc. are delivered, the points granted to employees are converted into shares of the Company's common stock at a rate of one share per point. However, in the event of a stock split, free allotment of shares, consolidation of shares, etc., a reasonable adjustment will be made to the number of points already granted or the conversion ratio in accordance with such ratio, etc.

When an employee fulfills the beneficiary requirements stipulated in the Stock Benefit Regulations, the

employee will receive, from the J-ESOP trust, the number of the Company's shares corresponding to the number of points by completing the prescribed procedures for finalizing beneficiary status. However, if the requirements stipulated in the Stock Benefit Regulations are met, a certain percentage may be received as a cash payment equivalent to the market value of the Company's shares instead of the delivery of the Company's shares.

It is expected that the introduction of the Plan will increase employees' interest in the stock price and performance improvement, contributing to their motivation to engage in their duties more than ever before.

(2) Company's Shares Remaining in the Trust

The Company's shares remaining in the Trust are recorded as treasury stock in the net assets section at their book value in the trust (excluding incidental expenses). The book value and number of shares of said treasury stock at the end of the current cumulative consolidated period were 180,300 thousand yen and 30,000 shares, respectively.

(Segment information, etc.)

[Segment information]

I. Nine months ended December 31, 2024 (April 1 to December 31, 2024)

1. Information on net sales and profit (loss) for each reportable segment and information on the disaggregation of revenue

(Thousands of yen)

	Global Data Intelligence business	Entertain-ment-related business	IT-related business	Total	Adjusted amount (Note 1)	Amount reported on consolidated financial statements (Note 2)
Sales						
Goods transferred at a point in time	86,240	4,464,310	2,124,169	6,674,720	-	6,674,720
Goods transferred over time	792,715	-	463,712	1,256,427	-	1,256,427
Revenue from contracts with customers	878,956	4,464,310	2,587,881	7,931,148	-	7,931,148
Revenue from external customers	878,956	4,464,310	2,587,881	7,931,148	-	7,931,148
Transactions with other segments	-	16,907	-	16,907	(16,907)	-
Total	878,956	4,481,218	2,587,881	7,948,056	(16,907)	7,931,148
Segment profit (loss)	111,224	438,464	135,643	685,331	(854,882)	(169,550)

(Notes) 1. Adjusted amount for segment profit of ¥(854,882) thousand includes elimination of intersegment transactions of ¥185 thousand and company-wide expenses not allocated to each reportable segment of ¥(855,067) thousand. The company-wide expenses mainly consist of general and administrative expenses not attributable to reportable segments.

2. Segment profit (loss) has been adjusted with operating profit (loss) on the quarterly consolidated statements of income.

II. Nine months ended December 31, 2025 (April 1 to December 31, 2025)

1. Information on net sales and profit (loss) for each reportable segment and information on the disaggregation of revenue

(Thousands of yen)

	Global Data Intelligence business	Entertainment-related business	IT-related business	Wellness business	Total	Adjusted amount (Note 1)	Amount reported on consolidated financial statements (Note 2)
Sales							
Goods transferred at a point in time	78,433	4,215,684	1,733,270	—	6,027,388	—	6,027,388
Goods transferred over time	802,721	—	571,970	—	1,374,692	—	1,374,692
Revenue from contracts with customers	881,155	4,215,684	2,305,240	—	7,402,081	—	7,402,081
Revenue from external customers	881,155	4,215,684	2,305,240	—	7,402,081	—	7,402,081
Transactions with other segments	—	13,854	4,629	—	18,483	(18,483)	—
Total	881,155	4,229,538	2,309,870	—	7,420,564	(18,483)	7,402,081
Segment profit	84,653	453,587	201,264	(22,281)	717,224	(853,619)	(136,395)

(Notes) 1. Adjusted amount for segment profit of ¥(853,619) thousand includes company-wide expenses not

allocated to each reportable segment of ¥(853,619) thousand. The company-wide expenses mainly consist of general and administrative expenses not attributable to reportable segments.

2. Segment profit (loss) has been adjusted with operating loss on the semi-annual consolidated statements of income.
3. The "New IT-related Business" segment has been renamed to the "IT-related Business" segment. Additionally, segment information for the previous cumulative consolidated period is disclosed based on the changed reportable segment name.

(Notes on quarterly consolidated statement of cash flows)

No quarterly consolidated statement of cash flows has been prepared for the nine months ended December 31, 2025.

Depreciation (including amortization of intangible assets excluding goodwill and customer-related assets), amortization of goodwill, and customer-related assets for the nine months ended December 31 are as follows:

	For the nine months ended December 31, 2024	For the nine months ended December 31, 2025
Depreciation	¥180,818 thousand	¥179,275 thousand
Amortization of goodwill	¥51,353 thousand	¥45,016 thousand
Amortization of customer-related assets	¥8,841 thousand	¥7,750 thousand

(Significant subsequent events)

Not applicable