

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 Six Months Ended August 31, 2025 (Based on Japanese GAAP)

October 15, 2025

Company Name: OXIDE Corporation
 Stock Exchange Listing: Tokyo
 Stock Code: 6521 URL: <https://www.opt-oxide.com>
 Representative: President (COO & CFO) Masayuki Yamamoto
 General Manager of Corporate Planning
 Inquiries: Kengo Takeuchi TEL +81-551-26-0022
 Division (CSO)
 Scheduled date to commence dividend payments: —
 Preparation of supplementary materials on quarterly financial results: Yes
 Holding of quarterly financial results briefing: Yes

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended August 31, 2025 (from March 1, 2025 to August 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	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Six months ended August 31, 2025	4,151	22.1	(189)	—	(227)	—	(270)	—
Six months ended August 31, 2024	3,398	2.3	(396)	—	(317)	—	(242)	—

Note: Comprehensive income Six months ended August 31, 2025 JPY(305) million [-%]
 Six months ended August 31, 2024 JPY84 million [21.6%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended August 31, 2025	(23.82)	—
Six months ended August 31, 2024	(22.01)	—

Note: Diluted interim net income per share is not stated because there are dilutive shares but there is an interim net loss per share

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of August 31, 2025	17,285	5,277	30.5
As of February 28, 2025	18,206	5,412	29.7

Reference: Equity As of August 31, 2025 JPY5,277 million
 As of February 28, 2025 JPY5,412 million

2. Cash dividends

	Annual dividend				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended February 28, 2025	—	0.00	—	0.00	0.00
Fiscal year ending February 28, 2026	—	0.00			
Fiscal year ending February 28, 2026 (Forecast)			—	0.00	0.00

Note: Revision to the most recent dividend forecast: No

3. Forecast of consolidated financial results for the year ending February 28, 2026 (from March 1, 2025 to February 28, 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	8,713	3.8	409	223.8	242	5.0	74	—	6.52

Note: Revisions to the financial results forecast most recently announced: No

* Notes

(1) Significant changes in the scope of consolidation during the interim period: No

(2) Application of special accounting methods for preparing interim consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates, and restatements

Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement: No

(4) Number of issued shares (common shares)

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

As of August 31, 2025	11,538,823 Shares	As of February 28, 2025	11,228,823 Shares
-----------------------	-------------------	-------------------------	-------------------

Number of treasury shares at the end of the period

As of August 31, 2025	1,268 Shares	As of February 28, 2025	796 Shares
-----------------------	--------------	-------------------------	------------

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

Six months ended August 31, 2025	11,343,944 Shares	Six months ended August 31, 2024	11,010,781 Shares
----------------------------------	-------------------	----------------------------------	-------------------

* This summary of financial results for the 2nd quarter (interim) is not subject to review by certified public accountants or an audit firm.

* Proper use of financial results forecasts, and other special matters

The forward-looking statements, including the financial results forecasts, contained in this document are based on information currently available to the Company and on certain assumptions deemed to be reasonable. These statements do not purport that the Company pledges to achieve the stated performance. Actual business and other results may differ substantially due to various factors.

Interim consolidated financial statements

(1) Interim consolidated balance sheet

(Thousands of yen)

	As of February 28, 2025	As of August 31, 2025
Assets		
Current assets		
Cash and deposits	2,245,402	2,432,023
Notes and accounts receivable - trade	1,786,511	1,138,744
Electronically recorded monetary claims - operating	25,619	2,975
Merchandise and finished goods	676,140	476,393
Work in process	2,535,984	2,887,126
Raw materials and supplies	890,455	846,440
Other	368,162	546,423
Allowance for doubtful accounts	(4,119)	(36,665)
Total Current Assets	8,524,155	8,293,462
Non-current assets		
Property, plant and equipment		
Buildings and Structures, net	2,568,616	3,263,271
Machinery, equipment and vehicles, net	3,979,436	3,727,904
Other, net	2,357,609	1,290,428
Total property, plant and equipment	8,905,661	8,281,605
Total Intangible assets	286,646	279,882
Investments and other assets	489,621	430,202
Total non-current assets	9,681,929	8,991,690
Total assets	18,206,085	17,285,153

(Thousands of yen)

	As of February 28, 2025	As of August 31, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	366,305	512,898
Short-term borrowings	2,900,000	2,800,000
Current portion of bonds payable	4,500	—
Current portion of long-term borrowings	1,103,366	1,163,380
Income taxes payable	64,625	81,372
Provision for bonuses	100,654	104,406
Provision for repairs	125,440	131,418
Provision for product warranties	121,271	147,158
Provision for employee stock compensation	—	17,220
Other	1,560,724	996,719
Total current liabilities	6,346,888	5,954,574
Non-current liabilities		
Bonds payable	150,000	150,000
Long-term borrowings	6,211,368	5,874,402
Provision for employee stock compensation	9,780	—
Retirement benefit liability	425	421
Other	74,740	28,274
Total non-current liabilities	6,446,314	6,053,098
Total liabilities	12,793,202	12,007,673
Net assets		
Shareholders' equity		
Share capital	3,307,277	3,392,527
Capital surplus	3,764,099	3,849,349
Retained earnings	(2,051,342)	(2,321,573)
Treasury shares	(1,591)	(1,591)
Total shareholders' equity	5,018,443	4,918,712
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	914	773
Foreign currency translation adjustment	393,524	357,994
Total accumulated other comprehensive income	394,439	358,767
Total net assets	5,412,882	5,277,480
Total liabilities and net assets	18,206,085	17,285,153

(2) Interim consolidated statement of income and consolidated statement of comprehensive income
(Interim consolidated statement of income)

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Revenue	3,398,670	4,151,445
Cost of sales	2,242,795	2,833,937
Gross profit	1,155,874	1,317,508
Selling, general and administrative expenses	1,552,116	1,507,415
Operating loss	(396,242)	(189,906)
Non-operating income		
Interest income	439	3,211
Foreign exchange gains	184,472	60,779
Other	5,493	2,487
Total non-operating income	190,405	66,478
Non-operating expenses		
Interest expenses	70,857	82,196
Commission expenses	29,520	9,602
Other	11,013	12,293
Total non-operating expenses	111,391	104,093
Ordinary loss	(317,227)	(227,521)
Extraordinary income		
Gain on sale of non-current assets	7,450	10,163
Subsidy income	5,196	75,715
Total extraordinary income	12,646	85,879
Extraordinary losses		
Loss on sales of non-current assets	13,325	2,282
Loss on reduction of non-current assets	5,009	72,414
Total extraordinary losses	18,334	74,696
Interim net loss before taxes	(322,916)	(216,339)
Income taxes - current	4,580	49,980
Income taxes - deferred	(85,160)	3,911
Total income taxes	(80,580)	53,892
Interim net loss	(242,336)	(270,231)
Profit attributable to non-controlling interests	—	—
Interim net loss Profit attributable to owners of parent	(242,336)	(270,231)

(Interim consolidated statement of comprehensive income)

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Profit or Loss	(242,336)	(270,231)
Other comprehensive income		
Valuation difference on available-for-sale securities	(279)	(141)
Foreign currency translation adjustment	327,534	(35,530)
Total of other comprehensive income	327,255	(35,671)
Comprehensive income	84,919	(305,902)
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	84,919	(305,902)
Comprehensive income attributable to non-controlling interests	—	—

(3) Interim Consolidated statement of cash flow

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Cash flows from operating activities		
Interim net loss before taxes	(322,916)	(216,339)
Depreciation	396,998	453,276
Amortization of goodwill	93,531	—
Amortization of Customer-related assets	42,181	—
Loss (gain) on sales of non-current assets	5,875	(7,881)
Loss on reduction of non-current assets	5,009	72,414
Subsidy income	(7,519)	(75,940)
Commission expenses	29,520	9,602
Increase (decrease) in allowance for doubtful accounts	—	31,350
Increase (decrease) in provision for bonuses	(475)	3,751
Increase (decrease) in provision for repairs	39,704	5,978
Increase (decrease) in provision for product warranties	(16,974)	26,216
Increase (decrease) in provision for share awards for employees	2,508	7,440
Increase (decrease) in accounts payable-other	(68,176)	(221,888)
Increase (decrease) in advances received	(218,084)	(72,292)
Increase (decrease) in contract liabilities	417,178	(157,701)
Foreign exchange losses (gains)	(170,332)	10,402
Interest income	(439)	(3,211)
Interest expenses	70,857	82,196
Decrease (increase) in trade receivables	277,017	653,360
Decrease (increase) in inventories	(357,800)	(122,696)
Increase (decrease) in trade payables	25,092	150,696
Other	18,371	(130,641)
Subtotal	261,127	498,093
Interest received	327	3,094
Interest paid	(69,472)	(84,642)
Subsidies received	5,009	94,194
Settlement package received	37,455	—
Income taxes (paid) refunded	55,776	(30,986)
Cash flows from operating activities	290,223	479,754
Net cash provided by (used in) investing activities		
Purchase of property, plant and equipment	(990,172)	(329,989)
Proceeds from sale of property, plant and equipment	72,250	261,600
Purchase of intangible assets	(7,260)	(14,391)
Payments of leasehold and guarantee deposits	(116)	—
Proceeds from collection of leasehold deposits and guarantee deposits	79	2,730
Payments of loans receivable to employees	(164)	(1,634)
Collection of loans receivable from employees	896	426
Net cash provided by (used in) investing activities	(924,486)	(81,258)

(Thousands of yen)

	Six months ended August 31, 2024	Six months ended August 31, 2025
Net cash provided by (used in) financing activities		
Increase (decrease) in short-term borrowings	1,200,000	(100,000)
Proceeds from long-term borrowings	320,000	370,000
Repayments of long-term borrowings	(419,923)	(635,538)
Payments for redemption of bonds	(3,500)	(4,500)
Proceeds from issuance of shares	114,279	169,334
Repayments of lease liabilities	(854)	(615)
Other	(35,907)	(9,600)
Net cash provided by (used in) financing activities	1,174,094	(210,919)
Effect of exchange rate change on cash and cash equivalents	7,009	(1,020)
Net increase (decrease) in cash and cash equivalents	546,841	186,555
Cash and cash equivalents at beginning of period	1,626,592	2,239,942
Cash and cash equivalents at end of first half of the fiscal year	2,173,433	2,426,497