

February 17 2026

AIR WATER INC.

Head Office: 12-8, Minami semba 2-chome,
Chuo-ku, Osaka, Japan

(Corrections) Regarding Revisions to the English Version of the “Consolidated Financial Results for the Six Months
Ended September 30, 2025 (Under IFRS) ”

Although there are no changes to the figures in the financial statements, we have revised certain wording to align with the examples published by the Tokyo Stock Exchange and other stylistic standards. Accordingly, we are reissuing the full document. The revisions are as follows:

- 1 . Added the following statement at the beginning of the document:
“Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.”
- 2 . Unified the presentation of negative figures using parentheses “()”.
- 3 . Adjusted the headings of each table to conform to the examples published by the Tokyo Stock Exchange.
- 4 . Added the Japanese text that appears in the original document to section “4. Qualitative Information relating to Second Quarter Settlement of Accounts.”
- 5 . Clarified that the comparative figures in “5. Condensed Quarterly Consolidated Financial Statements” reflect the amounts after restatement.
- 6 . Deleted the text in “(Basis of preparation) (1) Statement of Compliance with IFRS” to align with the Japanese version.
- 7 . Standardized the term “million” to “million yen” and corrected several typographical errors.

Note: This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.

February 13, 2026

Consolidated Financial Results
for the Six Months Ended September 30, 2025
(Under IFRS)

AIR WATER INC.
Head Office: 12-8, Minami semba 2-chome,
Chuo-ku, Osaka, Japan

(Note: All amounts are rounded down to the nearest million yen.)

1. Results for the six months ended September 30, 2025

(1) Consolidated operating results

(% of change from previous year)

	Revenue		Operating profit		Profit before tax		Profit		Profit attributable to owners of parent	Total comprehensive income
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Six months ended September 30, 2025	516,639	2.4	(5,447)	—	(17,623)	—	(21,580)	—	(21,179)	—
Six months ended September 30, 2024	504,608	6.5	27,612	0.1	26,792	(0.5)	17,345	1.5	17,175	4.1
									11,902	(70.3)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Six months ended September 30, 2025	(92.42)	(92.42)
Six months ended September 30, 2024	75.18	75.13

(2) Consolidated financial position

	Total assets	Total equity	Equity attributable to owners of parent	Ratio of equity attributable to owners of parent to total assets
	Million yen	Million yen	Million yen	%
As of September 30, 2025	1,153,403	459,455	444,749	38.56
As of March 31, 2025	1,226,240	492,318	472,917	38.57

2. Cash Dividends

	Dividend 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	—	32.00	—	43.00	75.00
Fiscal year ending March 31, 2026	—	37.50			
Fiscal year ending March 31, 2026 (Forecasts)			—	37.50	75.00

(Note) Changes in forecast of dividends for the fiscal year ending March 31, 2026, from the latest disclosure: No

3. Forecast of consolidated operating results for the fiscal year ending March 31, 2026

(% of change from previous year)

	Revenue		Operating profit		Profit before tax		Profit attributable to owners of parent		Basic earnings per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
The fiscal year	1,150,000	8.4	14,000	(77.2)	0	(100.0)	(10,000)	—	(43.63)

(Note) Changes in forecast of consolidated operating results for the fiscal year ending March 31, 2026, from the latest disclosure: Yes

Notes

(1) Significant changes in the scope of consolidation during the period : None

(2) Changes in accounting policies and changes in accounting estimates

- Changes in accounting policies required by IFRS: None
- Changes in accounting policies other than (a): None
- Changes in accounting estimates: None

(3) Number of shares outstanding (ordinary shares)

a. Total number of shares outstanding (including treasury shares)

As of September 30, 2025: 229,755,057 shares

As of March 31, 2025: 229,755,057 shares

b. Number of shares of treasury shares

As of September 30, 2025: 538,051 shares

As of March 31, 2025: 599,422 shares

c. Average number of shares during the term

Six months of the fiscal year ending March 31, 2026: 229,176,907 shares

Six months of the fiscal year ended March 31, 2025: 228,463,198 shares

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

* Explanations and other special notes concerning the appropriate use of business performance forecasts

- The forward-looking statements such as result forecasts included in this document are based on the information available to AIR WATER INC. (hereinafter “the Company”) at the time of the announcement and on certain assumptions considered reasonable. Actual results may differ materially from the forecast depending on a range of factors. For matters relating to the forecasts, please, refer to “1-(3) Explanation of future prediction information such as forecast of consolidated operating results”.

4. Qualitative Information relating to Second Quarter Settlement of Accounts

As stated in “(Restatement due to Correction of Prior-period Errors)” in the Notes to the Summary Interim Consolidated Financial Statements, the Company established a Special Investigation Committee and has been conducting an investigation following the discovery of inappropriate accounting practices related to inventories at a consolidated subsidiary. While the investigation by the Special Investigation Committee and the Company’s own internal review are still ongoing, based on the report received on February 12, 2026, reflecting the status as of February 9, 2026, as well as the progress of the Company’s internal review, the Company has restated its prior-year (summary interim) consolidated financial statements and related documents to correct the inappropriate accounting treatments identified in past periods.

The analytical figures presented below are based on the consolidated financial statements for the interim consolidated accounting period and the consolidated fiscal year of the 25th term, which reflect these restatements.

(1) Explanation of Operating Results

1) Operating results for the current period

For the cumulative second quarter of the current consolidated fiscal year, the group’s revenue was ¥516,639 million (102.4% that of the corresponding period of the previous year), operating loss was ¥5,447 million (operating profit of the corresponding period of the previous year was ¥27,612 million), and loss attributable to owners of parent was ¥21,179 million (profit attributable to owners of parent of the corresponding period of the previous year was ¥17,175 million).

As announced in our disclosure dated October 9, 2025, titled “Notice Regarding the Establishment of a Special Investigating Committee,” the Company has confirmed inappropriate accounting treatments related to inventories and other items.

In response to these circumstances, the Company established a Special Investigating Committee composed of external experts and has been conducting an investigation.

With respect to the impact of the inappropriate accounting on the results for the second quarter, the Company has identified the effects arising from the investigation conducted by the Special Investigating Committee, as well as those resulting from voluntary inspection procedures and the reassessment of internal controls(including a re-examination of financial figures and accounting treatments). The related one-time impacts have been reflected in quarterly profit.

In addition, with respect to past investment projects, the Company has re-examined future profitability in detail, identified indicators of impairment at an early stage, and proceeded with reviews and revisions as necessary.

For the second quarter, primarily in overseas operations, the Company assessed the recoverability of fixed assets, goodwill, and intangible assets, and has similarly reflected the impact of impairment losses in the financial results.

2) Consolidated results by segment for this period

Beginning the second quarter of the fiscal year under review, the Group has revised its segment classifications for certain businesses. The logistics business previously included in the Agriculture & Foods segment has been transferred to “Other Businesses.”

The segment information for the second quarter of the previous consolidated fiscal year shown here was prepared based on the revised reporting segments.

	(Million yen)			
	Revenue		Operating profit	
	FY 2025.2Q	YoY Growth	FY2025.2Q	YoY Growth
Digital & Industry	159,987	96.9%	(16,708)	— %
Energy Solutions	39,819	103.7%	(353)	— %
Health & Safety	121,898	106.5%	7,261	238.9%
Agriculture & Foods	89,163	101.6%	1,396	31.8%
Other Business	105,770	107.0%	2,385	70.1%
(Adjustment)	—	— %	571	68.4%
Total	516,639	102.4%	(5,447)	— %

(Note) The adjustment to operating profit is due to costs incurred at the company’s headquarters division which was not allocated to any reporting segment.

<Digital & Industry>

Revenue in this segment was ¥159,987 million (96.9% that of the corresponding period of the previous year), and operating loss was ¥16,708 million (operating profit of the corresponding period of the previous year was ¥13,833 million).

In the Industrial Gas Unit, the management of the prices of industrial gases positively contributed to the results. In the Gas Products Unit, the amount of gas supplied decreased due to the suspension of some blast furnace operations at steel on-site facilities.

In the Digital Unit, in response to the demand for semiconductors for generative AI applications, sales increased not only in gas supply for advanced semiconductors but also in products such as gas refining equipment and heat control devices for semiconductor manufacturing systems. In the Functional Materials field, performance proceeded steadily due to a recovery in sales of sealants and basic chemicals, as well as the effects of price management.

In the Global & Engineering Unit, the India business experienced temporary impacts due to long-term maintenance at blast furnaces at steel on-site facilities. In the North America business, conditions remained challenging, including a partial withdrawal from the cryogenic equipment business due to a sharp decline in hydrogen-related demand triggered by U.S. policy developments. In the high-output uninterruptible power source (UPS) business, although there was a decline in profit due to the absence of large-scale projects recorded in the previous fiscal year, performance remained steady, supported by the receipt of new orders.

In this segment, the Company has incorporated the impact of the withdrawal from the North American low-temperature equipment business, as well as impairment losses recorded in the India business and other operations.

As a result, revenue declined compared with the same period of the previous year, and operating profit fell significantly below the level of the same period of the previous year.

<Energy solutions>

Revenue in this segment was ¥39,819 million (103.7%), and operating loss was ¥353 million (operating profit of the corresponding period of the previous year was ¥2,111 million).

In the Energy Solutions Unit, for both LP gas and kerosene, sales the effects of revisions to selling prices and ancillary service fees, as well as an increase in sales volumes for household use, which is the core business.

The Green Innovation Unit remained solid by securing sales volumes and striving for a stable supply, despite the shortage of raw gas in the carbonic acid gas supply chain. In addition, sales volumes of hydrogen expanded, mainly for semiconductor-related applications.

In this segment, the Company has incorporated the impact of impairment losses related to green innovation-related

facilities.

As a result, revenue exceeded the level of the same period of the previous year, while operating profit declined compared with the same period of the previous year.

<Health & Safety>

Revenue in this segment was ¥121,898 million (106.5%), and operating profit was ¥7,261 million (238.9%)

In the Medical Products Unit, although new SPD projects were pursued for medical institutions, sales were affected by a decrease in the supply of medical oxygen.

In the Safety Unit, although performance was affected by a decrease in new construction projects, construction projects for power-related facilities contributed to steady performance.

In the Home Healthcare Unit, production and sales of injection needles increased, and sales of consumer products from Kawamoto Corporation proceeded steadily.

In the Dental Care Unit, the use of dental materials and digital molding equipment for oral healthcare increased due to the advanced digitalization of the dentistry industry. In addition, the profits generated by equity-method affiliate Ci Medical Co., Ltd. contributed to the results.

As a result, both revenue and operating profit exceeded the levels of the same period of the previous year.

<Agriculture & Foods>

Revenue in this segment was ¥89,163 million (101.6%), and operating profit was ¥1,396 million (31.8%)

In the Agriculture Unit, sales of Hokkaido-grown potatoes and daikon radishes performed well, and performance proceeded steadily due to measures such as operational streamlining in the fresh produce retail business.

In the Foods Unit, there was an increase in sales of ham and delicatessen products to mass retailers. Meanwhile, overseas production of frozen vegetables decreased significantly due to weather conditions, and sales of sweets to convenience store chains were affected by fewer product adoptions and a deterioration in product profitability, resulting in overall sluggish performance.

In the Beverage Unit, production of soft drinks increased, mainly for major customers, and performance remained steady.

In this segment, the Company has incorporated the impact of impairment losses at overseas subsidiaries engaged in the frozen vegetable business.

As a result, revenue exceeded the level of the same period of the previous year, while operating profit fell below the level of the same period of the previous year.

<Other business>

Revenue in this segment was ¥105,770 million (107.0%), and operating profit was ¥2,385 million (70.1%)

In the Seawater Business, sales of environmental products such as magnesium hydroxide increased. However performance was affected by a decrease in water treatment facility construction compared with the same period of the previous fiscal year, which included large-scale projects.

In the Electricity Unit, the decrease of the market price of the palm kernel shells (PKS) used as fuel to generate electricity and efforts to reduce costs contributed to the results of the Onahama Biomass Power Plant.

In the Specialized Trading Company Business, sales of electronic components and products for advanced semiconductors remained on a recovery track.

In the Logistics Unit, the volume of food products distributed increased and there was progress in the revision of contract prices.

In this segment, the Company has incorporated the impact of impairment losses at other domestic operating companies.

As a result, revenue exceeded the level of the same period of the previous year, while operating profit fell below the level of the same period of the previous year.

(2) Explanation of financial position for the current period

Total assets at the end of the current second quarter consolidated fiscal year stood at ¥1,153,403 million, a decrease of ¥72,836 million from the end of the previous consolidated fiscal year due mainly to a decrease in trade and other

receivables and goodwill. Liabilities stood at ¥693,948 million, a decrease of ¥39,973 million from the end of the previous consolidated fiscal year due mainly to a decrease in trade and other payables. Equity stood at ¥459,455 million, a decrease of ¥32,863 million from the end of the previous consolidated fiscal year, due mainly to recognition of interim losses attributable to owners of the parent.

Equity attributable to owners of parent per share decreased from ¥2,063.74 at the end of the previous consolidated fiscal year to ¥1,940.30, and ratio of equity attributable to owners of parent to total assets changed to 38.56% from 38.57% at the end of the previous consolidated fiscal year.

Cash flows from operating activities for the second quarter of the current fiscal year was an inflow of ¥44,622 million, reflecting a decrease of ¥3,404 million from the same period of the previous fiscal year, after deducting income taxes paid from depreciation and others.

Cash flows from investing activities for the second quarter of the current fiscal year was an outflow of ¥32,339 million, reflecting a decrease of outflow by ¥4,450 million from the same period of the previous fiscal year, due mainly to an increase of proceeds resulting from disposal of property, plant and equipment.

Cash flows from financing activities for the second quarter of the current fiscal year was an outflow of ¥22,201 million, reflecting an increase of ¥1,660 million from the same period of the previous fiscal year, due mainly to an increase of expenditures from repayment of long-term borrowings.

As a result, cash and cash equivalents at the end of the second quarter of the current fiscal year stood at ¥63,787 million, an increase of ¥5,023 million from the end of the second quarter of the previous consolidated fiscal year.

(3) Explanation of future prediction information such as forecast of consolidated operating results

With respect to the revision of the full-year earnings forecast, please refer to the “Notice Regarding the Revision of the Full-Year Earnings Forecast” announced on February 13, 2026.

5. Condensed Quarterly Consolidated Financial Statements

(1) Condensed Quarterly Consolidated Statement of Financial Position

(Unit : Million yen)

	End of the previous fiscal year (As of March 31, 2025)	End of the second quarter of fiscal year (As of September30, 2025)
	(After the restatement)	
Assets		
Current assets		
Cash and cash equivalents	73,886	63,787
Trade and other receivables	231,490	201,259
Inventories	104,019	103,351
Other financial assets	11,262	7,258
Income taxes receivable	1,105	1,367
Other current assets	26,023	34,280
Assets held for sale	89	224
Total current assets	447,877	411,528
Non-current assets		
Property, plant and equipment	522,078	515,909
Goodwill	78,584	50,359
Intangible assets	41,056	36,177
Investments accounted for using equity method	37,837	39,541
Retirement benefit asset	4,406	4,441
Other financial assets	87,961	89,156
Deferred tax assets	3,144	3,407
Other non-current assets	3,293	2,881
Total non-current assets	778,363	741,874
Total assets	1,226,240	1,153,403

	End of the previous fiscal year (As of March 31, 2025)	End of the second quarter of fiscal year (As of September 30, 2025)
	(After the restatement)	
Liabilities and equity		
Liabilities		
Current liabilities		
Trade and other payables	173,117	141,979
Bonds and borrowings	96,957	100,465
Other financial liabilities	12,044	5,425
Income taxes payable	10,250	5,315
Provisions	1,630	2,102
Other current liabilities	38,428	42,158
Total current liabilities	332,429	297,446
Non-current liabilities		
Bonds and borrowings	326,005	323,088
Other financial liabilities	22,212	20,960
Retirement benefit liability	6,364	6,285
Provisions	16,022	16,227
Deferred tax liabilities	23,407	22,120
Other non-current liabilities	7,480	7,820
Total non-current liabilities	401,492	396,501
Total liabilities	733,922	693,948
Equity		
Share capital	55,855	55,855
Capital surplus	47,719	46,638
Treasury shares	(808)	(726)
Retained earnings	320,982	290,914
Other components of equity	49,167	52,066
Total equity attributable to owners of parent	472,917	444,749
Non-controlling interests	19,401	14,705
Total equity	492,318	459,455
Total liabilities and equity	1,226,240	1,153,403

(2) Condensed quarterly Consolidated Statement of Profit or Loss and Condensed Quarterly Consolidated Statement of Comprehensive Income

Condensed quarterly consolidated statement of profit or loss
Cumulative second quarter of the consolidated fiscal year

(Unit : Million yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
	(After the restatement)	
Continuing operations		
Revenue	504,608	516,639
Cost of sales	(394,868)	(400,208)
Gross profit	109,740	116,431
Selling, general and administrative expenses	(82,982)	(87,007)
Other income	3,490	2,829
Other expenses	(5,772)	(40,019)
Share of profit of investments accounted for using equity method	3,136	2,319
Operating profit (loss)	27,612	(5,447)
Finance income	2,201	2,940
Finance costs	(3,020)	(15,115)
Profit (loss) before tax	26,792	(17,623)
Income tax expense	(9,439)	(3,956)
Profit (loss) from continuing operations	17,353	(21,580)
Discontinued operations		
Profit (loss) from discontinued operations	(7)	—
Profit (loss)	17,345	(21,580)
Profit (loss) attributable to		
Owners of parent	17,175	(21,179)
Non-controlling interests	170	(400)
Profit (loss)	17,345	(21,580)

(Unit : Yen)

Earnings per share		
Basic earnings (loss) per share		
Continuing operations	75.21	(92.42)
Discontinued operations	(0.03)	—
Basic earnings (loss) per share	75.18	(92.42)
Diluted earnings (loss) per share		
Continuing operations	75.16	(92.42)
Discontinued operations	(0.03)	—
Diluted earnings (loss) per share	75.13	(92.42)

Condensed quarterly consolidated statement of comprehensive income
Cumulative second quarter of the consolidated fiscal year

(Unit : Million yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
	(After the restatement)	
Profit (loss)	17,345	(21,580)
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Net change in fair value of financial assets measured through other comprehensive income	(2,838)	6,279
Share of other comprehensive income of investments accounted for using equity method	178	20
Total of items that will not be reclassified to profit or loss	(2,659)	6,300
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(3,240)	(3,152)
Effective portion of gains and losses on hedging instruments in a cash flow hedge	234	2,247
Share of other comprehensive income of investments accounted for using equity method	223	(131)
Total of items that may be reclassified to profit or loss	(2,783)	(1,035)
Total other comprehensive income	(5,443)	5,264
Comprehensive income	11,902	(16,315)
Comprehensive income attributable to		
Owners of parent	11,397	(16,271)
Non-controlling interests	504	(44)
Comprehensive income	11,902	(16,315)

(3) Condensed Quarterly Consolidated Statement of Changes in Equity
Six months ended September 30, 2024

(Unit : Million yen)

(After the restatement)	Equity attributable to owners of parent					
	Capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	
					Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations
Balance as of April 1, 2024	55,855	49,097	(2,217)	298,517	—	24,978
Profit (loss)	—	—	—	17,175	—	—
Other comprehensive income	—	—	—	—	—	(3,228)
Comprehensive income	—	—	—	17,175	—	(3,228)
Purchase of treasury shares	—	—	(2)	—	—	—
Disposal of treasury shares	—	37	643	—	—	—
Dividends	—	—	—	(7,789)	—	—
Share-based payment transactions	—	—	—	—	—	—
Increase (decrease) due to changes in equity	—	(1,414)	—	—	—	—
Increase (decrease) due to new consolidation	—	—	—	—	—	2
Increase (decrease) due to deconsolidation	—	—	—	—	—	—
Increase (decrease) due to mergers and other transactions	—	—	—	(168)	—	—
Transfer from other components of equity to retained earnings	—	—	—	296	—	—
Transfer to non-financial assets	—	—	—	—	—	—
Total transactions with owners	—	(1,376)	641	(7,660)	—	2
Balance as of September 30, 2024	55,855	47,721	(1,576)	308,032	—	21,752

(After the restatement)	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity				Total		
	Net change in fair value of financial assets measured through other comprehensive income	Effective portion of gains and losses on hedging instruments in a cash flow hedge	Share acquisition rights	Total			
Balance as of April 1, 2024	21,462	7,100	193	53,735	454,989	20,545	475,534
Profit (loss)	—	—	—	—	17,175	170	17,345
Other comprehensive income	(2,679)	129	—	(5,777)	(5,777)	334	(5,443)
Comprehensive income	(2,679)	129	—	(5,777)	11,397	504	11,902
Purchase of treasury shares	—	—	—	—	(2)	—	(2)
Disposal of treasury shares	—	—	—	—	681	—	681
Dividends	—	—	—	—	(7,789)	(472)	(8,261)
Share-based payment transactions	—	—	(2)	(2)	(2)	—	(2)
Increase (decrease) due to changes in equity	—	—	—	—	(1,414)	(1,479)	(2,894)
Increase (decrease) due to new consolidation	—	—	—	2	2	225	227
Increase (decrease) due to deconsolidation	—	—	—	—	—	—	—
Increase (decrease) due to mergers and other transactions	—	—	—	—	(168)	—	(168)
Transfer from other components of equity to retained earnings	(301)	—	—	(301)	(4)	—	(4)
Transfer to non-financial assets	—	(1,245)	—	(1,245)	(1,245)	(158)	(1,404)
Total transactions with owners	(301)	(1,245)	(2)	(1,547)	(9,943)	(1,885)	(11,828)
Balance as of September 30, 2024	18,481	5,984	191	46,410	456,443	19,164	475,608

Six months ended September 30, 2025

(Unit : Million yen)

	Equity attributable to owners of parent					
	Capital	Capital surplus	Treasury shares	Retained earnings	Other components of equity	
					Remeasurements of defined benefit plans	Exchange differences on translation of foreign operations
Balance as of April 1, 2025 (After the restatement)	55,855	47,719	(808)	320,982	—	24,676
Profit (loss)	—	—	—	(21,179)	—	—
Other comprehensive income	—	—	—	—	—	(3,172)
Comprehensive income	—	—	—	(21,179)	—	(3,172)
Purchase of treasury shares	—	—	(1)	—	—	—
Disposal of treasury shares	—	51	83	—	—	—
Dividends	—	—	—	(9,853)	—	—
Share-based payment transactions	—	—	—	—	—	—
Increase (decrease) due to changes in equity	—	(1,132)	—	—	—	—
Increase (decrease) due to new consolidation	—	—	—	(62)	—	(1)
Increase (decrease) due to deconsolidation	—	—	—	—	—	—
Increase (decrease) due to mergers and other transactions	—	—	—	(6)	—	—
Transfer from other components of equity to retained earnings	—	—	—	1,034	—	—
Transfer to non-financial assets	—	—	—	—	—	—
Total transactions with owners	—	(1,080)	82	(8,888)	—	(1)
Balance as of September 30, 2025	55,855	46,638	(726)	290,914	—	21,502

	Equity attributable to owners of parent					Non-controlling interests	Total equity
	Other components of equity				Total		
	Net change in fair value of financial assets measured through other comprehensive income	Effective portion of gains and losses on hedging instruments in a cash flow hedge	Share acquisition rights	Total			
Balance as of April 1, 2025 (After the restatement)	15,080	9,277	133	49,167	472,917	19,401	492,318
Profit (loss)	—	—	—	—	(21,179)	(400)	(21,580)
Other comprehensive income	6,261	1,819	—	4,908	4,908	356	5,264
Comprehensive income	6,261	1,819	—	4,908	(16,271)	(44)	(16,315)
Purchase of treasury shares	—	—	—	—	(1)	—	(1)
Disposal of treasury shares	—	—	—	—	135	—	135
Dividends	—	—	—	—	(9,853)	(400)	(10,253)
Share-based payment transactions	—	—	(2)	(2)	(2)	—	(2)
Increase (decrease) due to changes in equity	—	—	—	—	(1,132)	(4,063)	(5,195)
Increase (decrease) due to new consolidation	—	—	—	(1)	(64)	(5)	(69)
Increase (decrease) due to deconsolidation	—	—	—	—	—	(49)	(49)
Increase (decrease) due to mergers and other transactions	—	—	—	—	(6)	—	(6)
Transfer from other components of equity to retained earnings	(1,034)	—	—	(1,034)	—	—	—
Transfer to non-financial assets	—	(972)	—	(972)	(972)	(133)	(1,105)
Total transactions with owners	(1,034)	(972)	(2)	(2,010)	(11,897)	(4,651)	(16,548)
Balance as of September 30, 2025	20,308	10,124	130	52,066	444,749	14,705	459,455

(4) Condensed quarterly Consolidated Statement of Cash Flows

(Unit : Million yen)

	Six months ended September 30, 2024	Six months ended September 30, 2025
	(After the restatement)	
Cash flows from operating activities		
Profit (loss) before tax	26,792	(17,623)
Profit (loss) before tax from discontinued operations	(7)	—
Depreciation and amortization	23,961	26,152
Impairment loss	3,340	37,827
Gain on bargain purchase	—	(415)
Interest and dividend income	(1,480)	(1,891)
Interest expenses	2,348	2,408
Share of loss (profit) of investments accounted for using equity method	(3,136)	(2,319)
Loss (gain) on sale and retirement of fixed assets	11	34
Decrease (increase) in trade and other receivables	29,980	25,643
Decrease (increase) in inventories	(9,693)	72
Increase (decrease) in trade and other payables	(21,032)	(24,011)
Decrease (increase) in contract assets	5,359	(3,895)
Increase (decrease) in contract liabilities	1,539	5,803
Other	(1,162)	9,299
Subtotal	56,822	57,085
Interest received	326	364
Dividends received	1,298	1,549
Interest paid	(2,332)	(2,234)
Income taxes paid	(8,087)	(12,141)
Net cash provided by (used in) operating activities	48,027	44,622
Cash flows from investing activities		
Purchase of property, plant and equipment	(33,367)	(36,418)
Proceeds from sale of property, plant and equipment	442	5,796
Purchase of intangible assets	(1,147)	(955)
Purchase of investment securities	(2,117)	(1,873)
Proceeds from sale of investment securities	615	3,161
Proceeds from collection of loans receivable	(1,387)	(791)
Collection of loans receivable	767	64
Other	(596)	(1,322)
Net cash provided by (used in) investing activities	(36,790)	(32,339)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	(768)	6,602
Proceeds from long-term borrowings	5,731	16,144
Repayments of long-term borrowings	(10,483)	(22,166)
Additional purchase of shares of subsidiaries	(4,855)	(3,913)
Proceeds from sale and leaseback transactions	466	491
Repayments of lease liabilities	(3,054)	(2,758)
Dividends paid	(7,783)	(9,773)
Dividends paid to non-controlling interests	(472)	(400)
Other	678	(6,428)
Net cash provided by (used in) financing activities	(20,541)	(22,201)
Impact of exchange fluctuations for cash and cash equivalents	557	(181)
Net increase (decrease) in cash and cash equivalents	(8,746)	(10,099)
Cash and cash equivalents at beginning of period	67,510	73,886
Cash and cash equivalents at end of period	58,763	63,787

(5) Notes to Condensed Quarterly Consolidated Financial Statements

(Notes on assumption of going business)

Not applicable.

(Reporting company)

Air Water Inc. (the “Company”) is a joint-stock company located in Japan. The registered address of the head office of the Company is in Chuo-ku, Osaka-shi.

The condensed quarterly consolidated financial statement of the Company and its subsidiaries (the “Group”) closes on September 30 and consists of equity interests of the Group and its affiliates and joint control agreement.

The Group operates manufacturing and sale in the segments, Digital & Industry, Energy Solutions, Health & Safety, Agriculture & Foods, and Other products and services. See the section, “segment information, etc.” for the details of each business.

(Basis of preparation)

(1) Basis of Measurement

The condensed quarterly consolidated financial statement of the Group is prepared based on acquisition costs except retirement benefit liability (Assets) and financial instruments, etc. measured at fair value.

(2) Functional Currency and Presentation Currency

The monetary amounts in the condensed quarterly consolidated financial statement are presented in units of yen, the functional currency of the Company. All financial data presented in Japanese yen are rounded down to the nearest million yen.

(3) Important Accounting Estimates and Decisions involving Estimates

In the preparation of the Group’s condensed quarterly consolidated financial statement, the business manager must make decisions, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenues, and expenses. The actual results may vary from such estimates.

Estimates and assumptions that become the basis of estimates are reviewed continuously. The impact of a revision of accounting estimates is recognized during the accounting period in which the estimates are revised and future accounting periods that will be affected.

The important accounting estimates and decisions involving estimates in this condensed quarterly consolidated financial statement are the same as the consolidated financial statement for the accounting year ending March 31, 2025.

(Restatement due to Correction of Prior-period Errors)

(1) Details of the Restatement

In July 2025, we identified, through a voluntary internal review, inappropriate accounting treatments related to inventory (deferral of losses) at one of our consolidated subsidiaries. Subsequently, based on an internal investigation and indications from the accounting auditor, similar inappropriate accounting treatments related to inventory were identified at other consolidated subsidiaries and by us, and the potential involvement of our officers and employees was also identified. Accordingly, on October 9, 2025, we established a Special Investigating Committee and commenced an investigation. In addition, we formed a support team consisting of external experts to assist the investigation by the Special Investigating Committee and to conduct voluntary internal reviews as a top priority.

The investigation by the Special Investigating Committee and our voluntary internal review included financial analyses, verification of the implementation status of physical inventory counts, and re-examination of the appropriateness of revenue recognition, as well as the following investigative procedures to identify the actual conditions of the inappropriate accounting treatments:

- Interviews with approximately 240 individuals, including our employees, consolidated subsidiaries, and external

related parties

- Digital forensic investigations of approximately 200 key individuals from us and our consolidated subsidiaries
- Questionnaire surveys of approximately 500 individuals regarding involvement in inappropriate accounting

treatments

- Establishment of a hotline covering us and all consolidated subsidiaries, introduction of an internal leniency program (reduction of internal disciplinary actions in exchange for cooperation with investigations), and implementation of a leniency awareness program targeting approximately 60 group companies

On February 12, 2026, we received the investigation report (as of February 9, 2026) from the Special Investigating Committee. The report concluded that, against the backdrop of excessive pressure from top management to achieve sales or profit targets, various inappropriate accounting treatments had been conducted over prior periods within the Group. These included premature or deferred recognition of revenue accompanied by falsification of supporting documents or data manipulation, double-counting of revenue, overstatement of inventories, deferral of asset impairment, avoidance of provision recognition, capitalization of expenditures that do not meet asset recognition criteria, and other methods.

We determined that these inappropriate accounting treatments required correction retroactively and have restated the comparative information and reflected the corrections in the condensed interim consolidated financial statements for the current interim period. In addition to the findings of the Special Investigating Committee, the restatement also reflects the results of the voluntary internal review conducted by the support team and other inappropriate accounting treatments and errors identified during audit procedures. Of the misstatements related to revenue that we corrected, the amounts were ¥530 million for the current interim consolidated accounting period and ¥3,353 million for the previous interim consolidated accounting period, covering several thousand transactions.

(2) Impact of the Restatement

Previous Interim Consolidated
Accounting Period
(From April 1, 2024 to September 30,
2024)

		Before Restatement	After Restatement	Impact
Revenue	(Million yen)	507,962	504,608	(3,353)
Gross profit	(Million yen)	109,195	109,740	544
Operating profit	(Million yen)	31,982	27,612	(4,370)
Profit before tax	(Million yen)	31,217	26,792	(4,424)
Profit attributable to owners of the parent	(Million yen)	20,156	17,175	(2,981)
Profit	(Million yen)	20,759	17,345	(3,414)
Total comprehensive income attributable to owners of the parent	(Million yen)	13,381	11,397	(1,983)
Total comprehensive income	(Million yen)	14,319	11,902	(2,417)
Basic earnings per share	(yen)	88.23	75.18	(13.05)
Diluted earnings per share	(yen)	88.17	75.13	(13.04)
Cash flows from operating activities	(Million yen)	47,616	48,027	410
Cash flows from investing activities	(Million yen)	(35,936)	(36,790)	(854)
Cash flows from financing activities	(Million yen)	(21,565)	(20,541)	1,023
Cash and cash equivalents at the end of the period	(Million yen)	55,647	58,763	3,115

Previous Interim Consolidated
Accounting Period
(From April 1, 2024 to September 30,
2024)

		Before Restatement	After Restatement	Impact
Total assets	(Million yen)	1,250,149	1,226,240	(23,908)
Total equity	(Million yen)	536,858	492,318	(44,539)
Equity attributable to owners of the parent	(Million yen)	517,139	472,917	(44,222)
Equity ratio attributable to owners of the parent	(%)	41.4	38.6	(2.8)

(3) Cumulative Impact on Periods Prior to the Presentation Period

As a cumulative impact of retroactively correcting the inappropriate accounting treatments described above, retained earnings at the beginning of the previous consolidated fiscal year decreased by ¥36,596 million.

(4) Future Actions Based on the Investigation Report of the Special Investigating Committee

The investigation report received from the Special Investigating Committee (as of February 9, 2026) states that the following limitations and unfinished matters remain in the investigation.

- Air Water Ecoroca Inc.

Due to the absence of physical inventory counts in prior periods and concerns regarding the reliability of continuous inventory records, it was not possible to sufficiently verify the amounts of inventory and cost of sales for prior periods.

Please note that the revenue and cost of sales of Air Water Ecoroca Inc. included in the condensed interim consolidated financial statements for the current interim consolidated accounting period amounted to ¥225 million and ¥358 million, respectively, while the comparative figures for the previous interim consolidated accounting period were revenue of ¥389 million and cost of sales of ¥561 million, respectively.

- Air Water Mechatronics Inc.

Reports were received from multiple employees regarding misclassifications of labor costs and other expenses. Such misclassifications appear to have been conducted continuously over prior periods, and it was not possible to sufficiently verify inventory and cost of sales amounts during the investigation period. Investigations into the motives, methods, impact, and existence of similar cases remain incomplete.

Please note that the revenue and cost of sales of Air Water Safety Service Inc. included in the condensed interim consolidated financial statements for the current interim consolidated accounting period amounted to ¥6,372 million and ¥6,344 million, respectively, while the comparative figures for the previous interim consolidated accounting period were revenue of ¥3,809 million and cost of sales of ¥3,930 million, respectively.

- Air Water Safety Service Inc.

Numerous employees reported intentional manipulation of revenue recognition timing, falsification of external supporting documents to conceal such manipulation, and misclassifications of labor and outsourcing expenses. These practices appear to have continued over prior periods, and it was not possible to sufficiently verify revenue recognition timing, contract assets, inventories, or cost of sales during the investigation period. Investigations into motives, methods, impact, and similar cases remain incomplete.

Please note that the revenue and cost of sales of Air Water Safety Service Inc. included in the condensed interim consolidated financial statements for the current interim consolidated accounting period amounted to ¥13,052 million and ¥8,190 million, respectively, while the comparative figures for the previous interim consolidated accounting period were revenue of ¥10,578 million and cost of sales of ¥7,318 million, respectively.

- Other Unfinished Matters

There remain unfinished matters with respect to investigations into suspected inappropriate accounting treatments at multiple units of us and our group companies, including the appropriateness of revenue recognition, the timeliness of asset impairment and inventory valuation, the proper allocation of expenses to accounting periods, and numerical manipulation through the misclassification of revenues and expenses within the Group or through the interposition of trading flows, as well as the identification of other similar cases.

In light of these investigation limitations and unfinished matters, the investigation by the Special Investigating Committee will continue, and the support team will also continue its voluntary internal review. Based on the results obtained to date, we have concluded that even if additional misstatements are identified through future investigations and reviews, they are unlikely to have a material impact on the condensed interim consolidated financial statements. After completion of the investigations and reviews, we plan to promptly submit amended securities reports reflecting the impact of any additionally identified matters.

(Significant accounting policies)

The accounting principles that the Group applies to the condensed quarterly consolidated financial statement are the

same as the accounting principles applied to the consolidated financial statement for the consolidated fiscal year ending March 31, 2025.

(Segment Information)

(1) Overview of Reportable Segments

The Group's reportable segments are components of an entity for which separate financial information is available and is evaluated regularly by the Board of Directors in determining the allocation of management resources and in assessing performance.

The Group plans comprehensive strategies for each product and service and operates its business activities. Therefore, the Group consists of operating segments for each product and service, and has five reportable segments, including "Digital & Industry," "Energy Solutions," "Health & Safety," "Agriculture & Foods," and "Other Businesses."

The Digital & Industry segment primarily manufactures and sells industrial gases including oxygen, nitrogen, argon, carbon dioxide and hydrogen, and also manufactures and sells electronic materials, functional materials and so on.

The Energy Solutions segment primarily sells LP gas and kerosene, and also manufactures and sells LNG-related equipment.

The Health & Safety segment primarily manufactures and sells oxygen and other medical gases, dental and hygiene materials, hypodermic needles, aerosol products and other items, and also provides services including hospital facility construction, hospital services and home medical care.

The Agriculture & Foods segment primarily processes and distributes vegetables and fruits, manufactures and sells frozen food and processed meat products, and operates contract manufacturing of soft drinks.

The Other Business segment consists of the logistics business, which provides logistics services for general cargo, food, medical supplies and environmental products, NIHON KAISUI CO., LTD. which manufactures and sells commercial-use salt, overseas industrial gas businesses in North America, India and elsewhere, a business supplying high-output uninterruptible power sources (UPS), and a woody biomass power generation business, etc.

(2) Information about the Amounts of Revenue and Profit or Loss by Reportable Segment

The accounting method of the reported operating segments is the same as the accounting method used to prepare the consolidated financial statements.

The profit figures of the reportable segments are operating profit. Intersegment revenue and transfers of funds are presented based on prevailing market prices.

Six months ended September 30, 2024

(Unit : Million yen)

	Reportable Segment						Adjustment (Note)	Quarterly consolidated statements of income
	Digital & Industry	Energy Solutions	Health & Safety	Agriculture & Foods	Other Business	Total		
Revenue								
Revenue from outside customers	165,101	38,399	114,458	87,802	98,845	504,608	—	504,608
Inter-segment revenue	6,976	4,646	289	423	5,998	18,334	(18,334)	—
Total	172,078	43,046	114,748	88,226	104,844	522,943	(18,334)	504,608
Revenue by segment	13,833	2,111	3,039	4,390	3,402	26,777	834	27,612
Finance income								2,201
Finance costs								(3,020)
Operating profit								26,792

(Note) 1. The reconciling item of ¥-18,334 million of intersegment revenue and transfers is elimination of intersegment transactions.

2. The reconciling item of ¥834 million of segment profit is related to profit or loss of the Company's head office, which is not distributed to elimination of inter-segment transactions and each reportable segment.

Six months ended September 30, 2025

(Unit : Million yen)

	Reportable Segment						Adjustment (Note)	Quarterly consolidated statements of income
	Digital & Industry	Energy Solutions	Health & Safety	Agriculture & Foods	Other Business	Total		
Revenue								
Revenue from outside customers	159,987	39,819	121,898	89,163	105,770	516,639	—	516,639
Inter-segment revenue	6,207	4,980	362	437	5,715	17,703	(17,703)	—
Total	166,195	44,799	122,261	89,601	111,485	534,343	(17,703)	516,639
Revenue by segment	(16,708)	(353)	7,261	1,396	2,385	(6,019)	571	(5,447)
Finance income								2,940
Finance costs								(15,115)
Operating profit								(17,623)

(Note) 1. The reconciling item of ¥-17,703 million of intersegment revenue and transfers is elimination of intersegment transactions.

2. The reconciling item of ¥571 million of segment profit is related to profit or loss of the Company's head office, which is not distributed to elimination of inter-segment transactions and each reportable segment.

(Significant subsequent events)

(Acquisition of Shares through a Tender Offer)

The takeover bid (TOB) for the shares of Ci Medical Co.,Ltd. announced on August 7, 2025 was successfully completed, and we additionally acquired shares of the company on October 14, 2025.

As a result, our ownership ratio of voting rights increased from 38.29% to 78.65%, and Ci Medical Co.,Ltd. became our

consolidated subsidiary.

Subsequently, in order to take Ci Medical Co.,Ltd. private, an extraordinary general meeting of shareholders was held on November 25, 2025, at which a resolution for a share consolidation was approved. As a result, its shares met the delisting criteria of the Tokyo Stock Exchange, and its shares were delisted from the Tokyo Stock Exchange Standard Market effective December 15, 2025.

Although IFRS 3 "Business Combinations" was applied, the initial accounting for this business combination has not been completed as of the reporting date. Accordingly, detailed information regarding the accounting treatment of the business combination has not been disclosed.

(1) Purpose of the Share Acquisition

Within our Health & Safety (medical-related) business, the Group supplies medical gases as a leading supplier of medical oxygen, and has been expanding related businesses including medical devices and nursing-care products used at medical institutions, nursing-care facilities, and patients' homes.

We entered into a capital and business alliance agreement with Ci Medical Co.,Ltd. in 2016. Leveraging its proposal capabilities that accurately capture customer needs in its mail-order business, Ci Medical Co.,Ltd. has transaction relationships with approximately 90% of dental clinics nationwide (approximately 65,000 clinics), and has expanded its businesses to include dental laboratories, general hospitals, veterinary hospitals, and nursing-care and welfare facilities.

Furthermore, Air Water Aeras Bio Inc., a joint venture invested in by us and Ci Medical Co.,Ltd. has been working toward the practical application of the world's first dental pulp regeneration therapy since 2020, and by the end of 2024 had achieved more than 100 clinical treatment cases, increasing recognition and expectations for it as a cutting-edge regenerative medicine.

While synergies have been realized in the dental business field, we determined to further strengthen collaboration with Ci Medical Co.,Ltd. and to maximize synergies beyond the dental and medical fields by taking Ci Medical Co.,Ltd. private. Through this transaction, we aim to build a unified group-wide business execution structure, enabling the swift and certain implementation of long-term investments, DX initiatives, and growth strategies, thereby enhancing the Group's overall corporate value.

(2) Name and Description of the Acquired Company

Name of the acquired company: Ci Medical Co.,Ltd.

Description of business: Mail-order business, large-scale medical equipment sales business, CAD/CAM-related business, mail-order-based retail electricity business, and digital solutions business

(3) Date of Business Combination

October 14, 2025

(4) Voting Rights Ratio After the Additional Acquisition

Before acquisition: 38.29%

After acquisition: 78.65%

(5) Method of Obtaining Control over the Acquired Company

Acquisition of shares in exchange for cash

(6) Acquisition Consideration

Cash: ¥30,266 million

(Execution of a Commitment Line Agreement)

Based on a resolution of the Board of Directors held on January 30, 2026, we entered into a syndicated commitment line agreement with a total borrowing limit of ¥113,000 million, effective February 12, 2026.

(1) Purpose of the Commitment Line Agreement

The purpose of the agreement is to secure working capital and to ensure the stability of our financial base by securing flexible and stable funding sources.

(2) Outline of the Commitment Line Agreement

- ① Total borrowing limit: ¥113,000 million
- ② Lenders: Sumitomo Mitsui Trust Bank, Limited (¥56,500 million)
Sumitomo Mitsui Banking Corporation (¥33,900 million)
Mizuho Bank, Ltd. (¥22,600 million)
- ③ Date of execution: February 12, 2026
- ④ Term: From February 12, 2026 to January 29, 2027
- ⑤ Form: Syndicated loan
- ⑥ Use of funds: Working capital
- ⑦ Interest rate: Base interest rate plus a spread
- ⑧ Collateral and guarantees: Unsecured and unguaranteed

(Special Investigation Costs and Prior-period Financial Statement Restatement-related Costs)

As announced in the press release dated October 9, 2025 titled "Notice Regarding the Establishment of a Special Investigating Committee," we identified inappropriate accounting treatments related to inventories and other items (deferral of losses). Accordingly, we established a Special Investigating Committee consisting of external experts on October 9, 2025, and have been conducting investigations. We received the investigation report (as of February 9, 2026) from the Committee on February 12, 2026, and the investigation by the Committee remains ongoing.

In addition, we formed a support team consisting of external experts to conduct our own voluntary internal review.

As a result of these activities, investigation costs incurred by the Special Investigating Committee and external experts, as well as costs related to the correction of prior-period financial statements, will be recorded from the third quarter of the fiscal year ending March 31, 2026 onward. The estimated amount of such costs incurred as of the date of submission of this report is approximately ¥9,300 million. However, as the investigations and related procedures are ongoing, the final amount to be recorded is expected to increase.

Borrowings

At meetings of the Board of Directors held on August 3, 2023 and March 13, 2025, the Company resolved to obtain borrowings for capital expenditures related to the construction of air separation units (ASUs) for TATA Steel at the SAIL plant of its consolidated subsidiary, Air Water India Pvt. Ltd.

The borrowings were recognized as interest-bearing liabilities under IFRS, and the details are as follows:

Lender	Amount	Drawdown Date	Maturity Date	Interest Rate	Security / Guarantee
Sumitomo Mitsui Banking Corporation	¥3,500 million	October 30, 2025	October 2, 2032	Fixed	Parent company guarantee
MUFG Bank, Ltd.	¥875 million	October 30, 2025	October 30, 2030	Fixed	Parent company guarantee
Mizuho Bank, Ltd.	¥2,625 million	October 30, 2025	October 30, 2032	Fixed	Parent company guarantee
Mizuho Bank, Ltd.	¥1,144 million	November 12, 2025	November 12, 2032	Fixed	Parent company guarantee
Bank of Shanghai	¥1,770 million	November 24, 2025	November 24, 2031	Fixed	Parent company guarantee