HOKUTO Corporation

Financial Results Presentation Materials for the Second Quarter of the Fiscal Year Ending March 31, 2027

November 20, 2026

Tokyo Stock Exchange Prime Market: 1379

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Financial Highlights for the Second Quarter of the Fiscal Year Ending March 31, 2027

Growth in earnings from the mushroom business in Japan drove higher sales and a substantial increase in profit.
Both net sales and operating profit progressed ahead of plan

Domestic business	**The mushroom business in Japan delivered significant profit growth on higher selling prices** • Regional strategies and marketing initiatives proved effective, driving higher selling prices for all three core products. • Production adjustments based on demand forecasts helped stabilize the supply-demand balance and selling prices. • The increase in revenue offset rising materials and energy costs. • Growth in the profitability of the domestic mushroom business drove companywide revenue growth and significant profit growth.
Overseas business	**Overseas: North America business struggled, while Malaysia showed signs of recovery** • In the U.S., in response to declining demand, production adjustments and inventory reduction were implemented to optimize supply and demand. Lower sales volume and unit prices resulted in lower revenue and profit. • We strengthened our sales organization and expanded sales channels, including by beginning to distribute our products through Kroger. • In Malaysia, sales volume recovered through proactive promotional activities, improving profitability.
Shareholder returns	• **Interim dividend for FY2027: 10 yen (unchanged from the previous forecast)**

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027 (Year-on-year Comparison)

The regional strategy and marketing initiatives in the domestic mushroom business proved effective, driving up selling prices.
Sales increased 3.9% year on year, while operating profit grew to 710 million yen, approximately 12 times the level in the same period of the previous year.

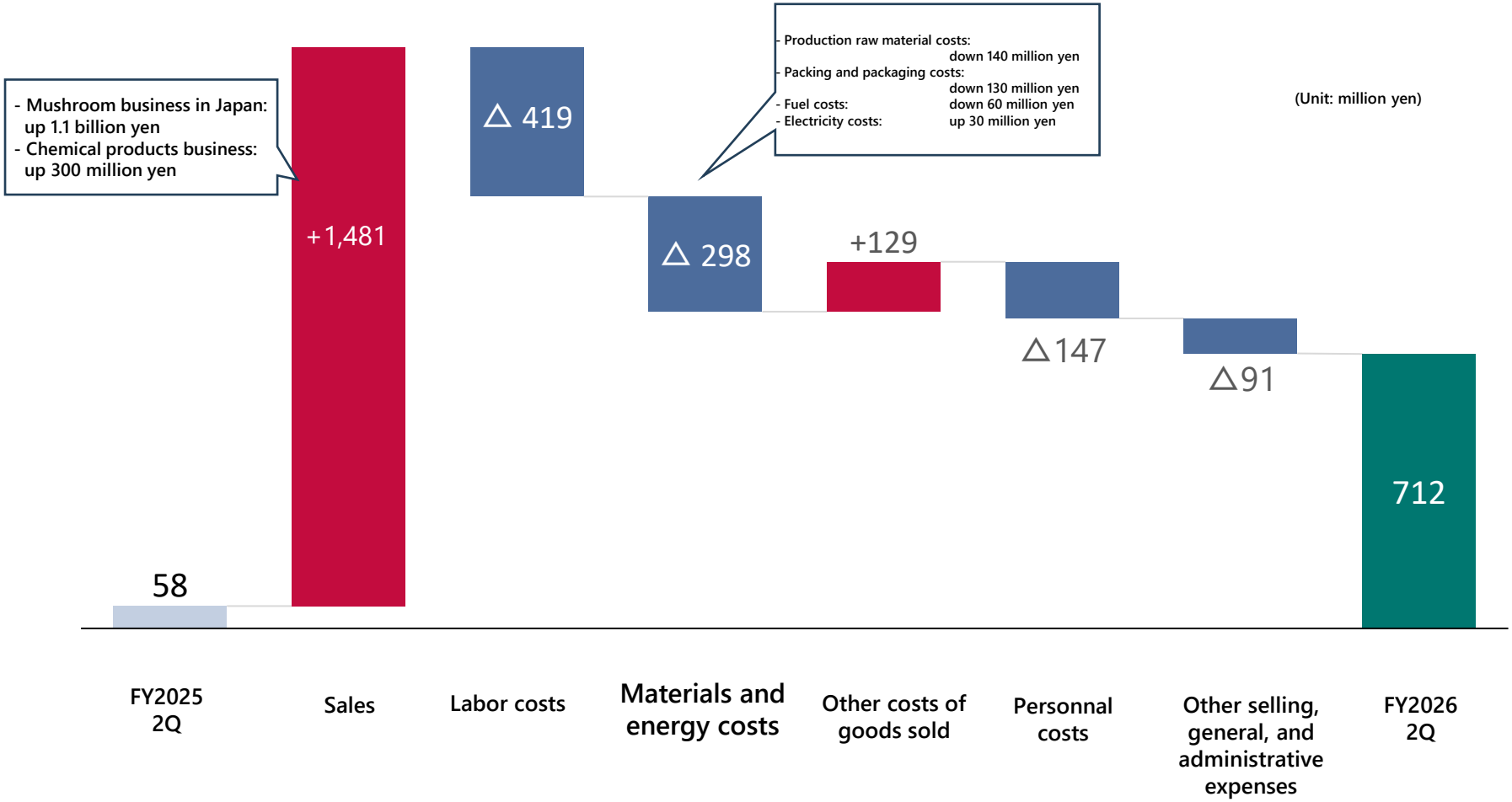
(Millions of yen)

	2nd Quarter of the Fiscal Year Ended March 31, 2026	2nd Quarter of the Fiscal Year Ending March 31, 2027	Change from the Previous Year	Percentage Change from the Previous Year
Sales	38,080	39,561	1,481	3.9%
Gross Profit	8,364	9,256	892	10.7%
Gross Profit Margin	22.0%	23.4%		
Selling, General, and Administrative Expenses	8,305	8,544	238	2.9%
Operating Profit	58	712	654	1126.0%
Operating Profit Margin	0.2%	1.8%		
Ordinary Profit	307	827	519	168.6%
Ordinary Profit Margin	0.8%	2.1%		
Net Profit	1,401	386	△1,014	△72.4%
Net Profit Margin	3.7%	1.0%		
Earnings per Share	44.79 yen	12.34 yen		

*Difference attributable to insurance proceeds for the Ueda Center fire recorded in the previous fiscal year

Second Quarter of the Fiscal Year Ending March 31, 2027: Factors Affecting Operating Profit

Higher labor, personnal costs material, energy, and other costs were offset by the positive effect of increased sales of mushrooms in Japan and other factors, resulting in operating profit rising by 650 million yen year on year



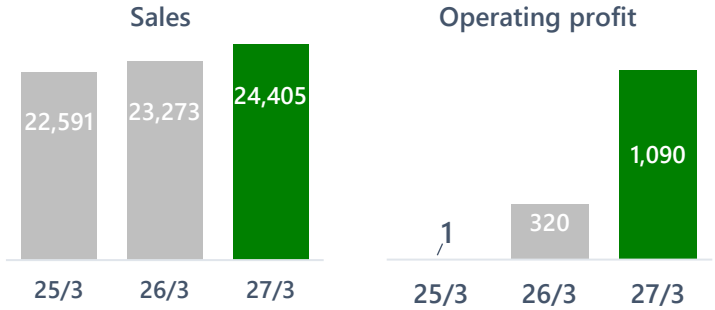
Segment Summary for the Second Quarter of the Fiscal Year Ending March 31, 2027 (Year-on-year Comparison)

Higher sales and significantly higher profit in the domestic mushroom business drove overall performance. Chemical products and processed products also achieved higher profit.

(Unit: million yen)

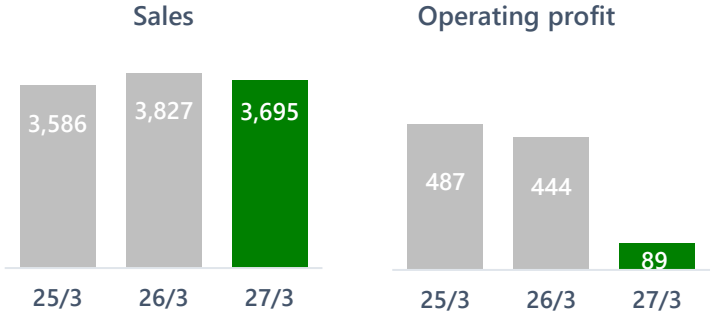
Mushroom business in Japan

✓ Mushroom unit prices remained firm as regional strategies and marketing initiatives proved effective, resulting in higher sales and profit



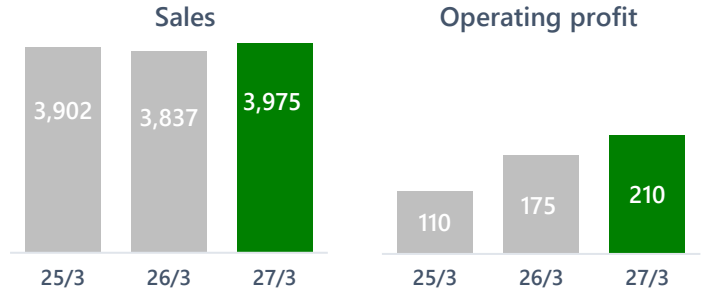
Mushroom business outside Japan

✓ Profitability improved in Malaysia through proactive promotional activities, but weak performance in the U.S. contributed to lower sales and profit



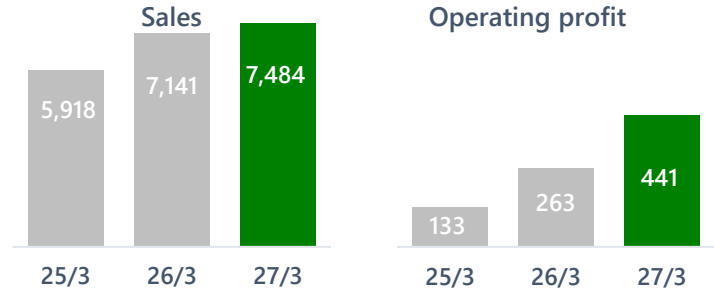
Processed products business

✓ We focused on developing new products and cultivating new markets.
Products for the foodservice and deli/ready-to-eat markets performed well, driving increases in both sales and profit



Chemical products business

✓ Amid the impact of the situation in the Middle East, we focused on stable supply and price revisions. Orders for our products also remained stable, while revenue and profit increased



Our Competitive Advantages

Starting with research and development, we manage cultivation materials, a nationwide production network, and a direct sales network in an integrated manner, thereby achieving high quality, a stable supply, and high productivity

Drivers of competitive advantage

Research and development

Research and development capabilities that achieve high quality and high yields

- ✓ Developing and popularizing new varieties of bunashimeji, eryngii, etc.
- ✓ Promoting an integrated approach that spans from variety development to the establishment of a large-scale production system

Production

Production foundation that enables stable supply of high-quality mushrooms across Japan and overseas markets

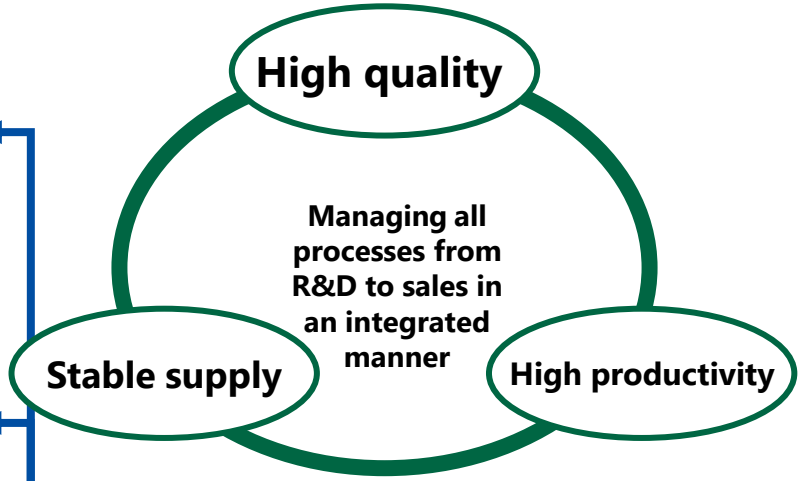
- ✓ Operating 33 locations in Japan plus overseas locations
- ✓ Achieved consistent quality and a stable supply nationwide

Sales

Sales network that connects market needs to product development

- ✓ Direct transactions with over 200 retail companies nationwide
- ✓ Feeding consumer feedback back into R&D and production

In-house production of cultivation materials



A business foundation that supports our top market share in Japan

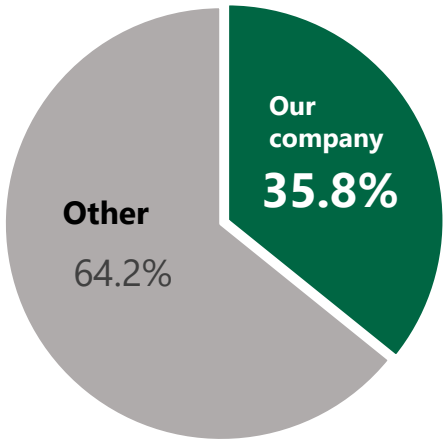
Our Market Share in Japan (Fiscal Year Ended March 31, 2025)

We hold an overwhelming share in three of our core product categories, maintaining a strong market leadership position

Bunashimeji





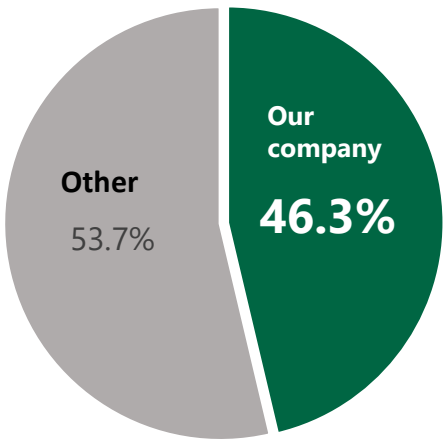


Total production volume in Japan

117,536 t

Eryngii



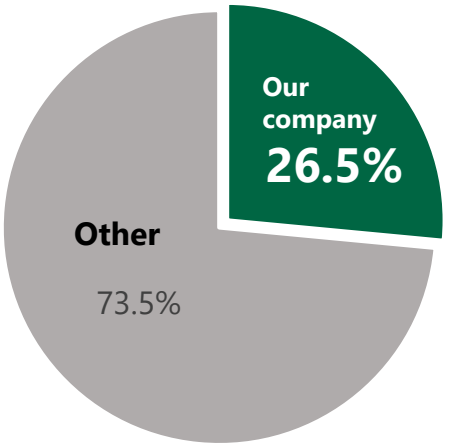


Total production volume in Japan

34,639 t

Maitake





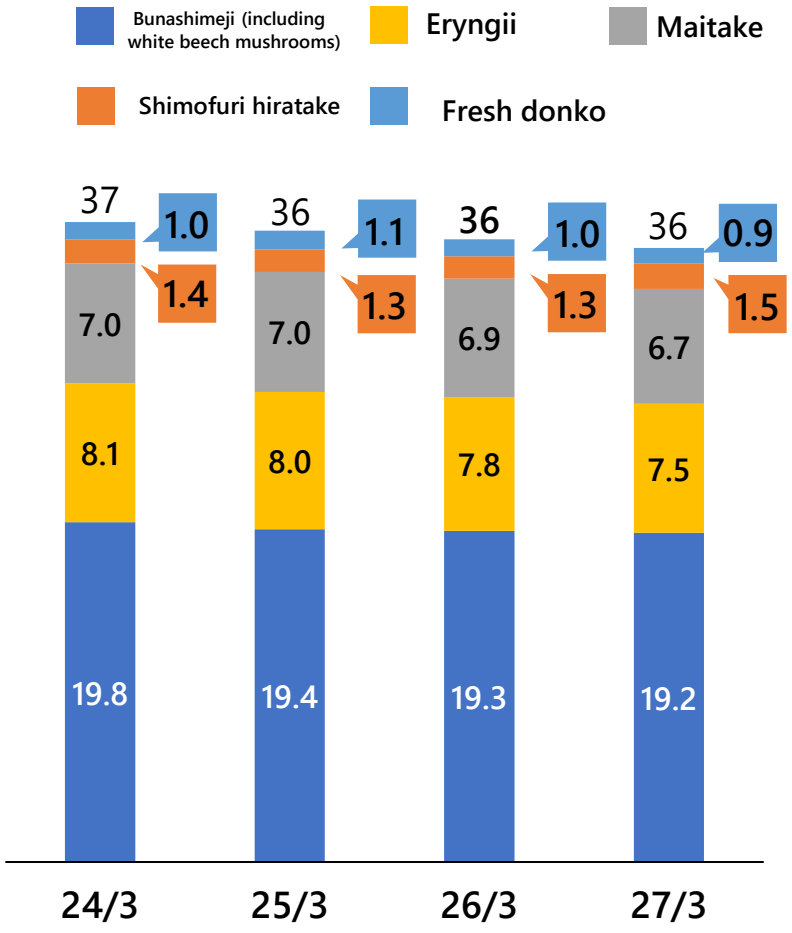
Total production volume in Japan

56,609 t

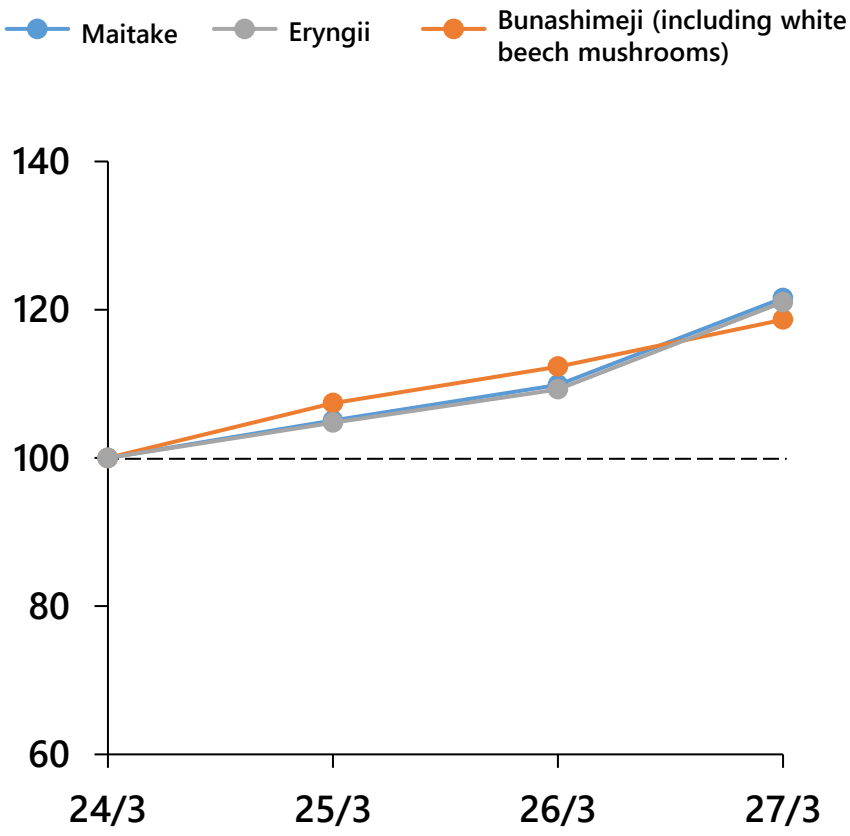
Second Quarter of the Fiscal Year Ending March 31, 2027: Trends in Domestic Mushroom Production Volume and Unit Prices by Type

While appropriately controlling production volumes, sales unit prices increased across all three key products through effective regional strategies and marketing initiatives

Production Volume Trends (1,000 tons)



Unit Price Trends for Major Items (Index)



Second Quarter of the Fiscal Year Ending March 31, 2027: Mushroom Business Outside Japan (Year-on-year Comparison)

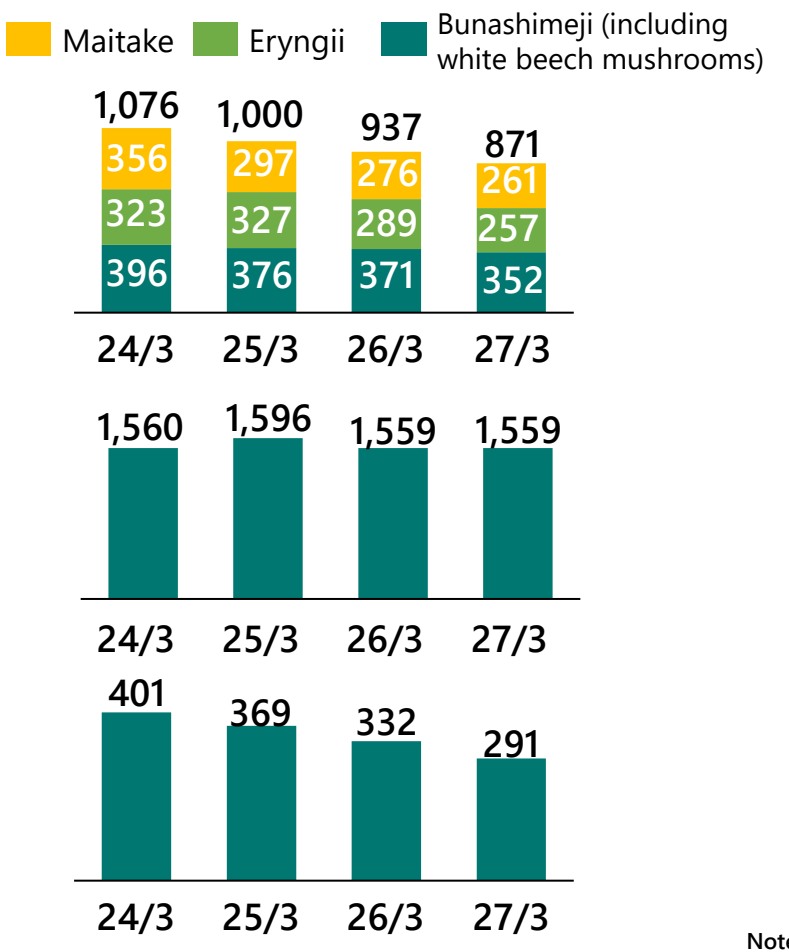
Our U.S. business posted lower revenue and a loss due to decreased sales volume, while pursuing normalization of sales unit prices and expanded distribution by balancing supply and demand and strengthening sales efforts. Profitability improved in Malaysia through stronger sales promotions

		2nd Quarter of the Fiscal Year Ended March 31, 2026	2nd Quarter of the Fiscal Year Ending March 31, 2027	Change from the Previous Year	Percentage Change from the Previous Year
United States	Sales	13.87 million USD	11.90 million USD	△1.97 million USD	△14.2%
	Operating Profit	1.12 million USD	△1.53 million USD	△2.66 million USD	—
	Foreign Exchange	148.88	157.35		
Taiwan	Sales	NT$307 million	NT$310 million	NT$3 million	1.1%
	Operating Profit	NT$56 million	NT$49 million	△NT$6 million	△12.4%
	Foreign Exchange	4.88	4.94		
Malaysia	Sales	RM6.77 million	RM6.99 million	RM0.22 million	3.3%
	Operating Profit	△RM2.33 million	△RM1.33 million	RM0.99 million	—
	Foreign Exchange	35.32	38.58		

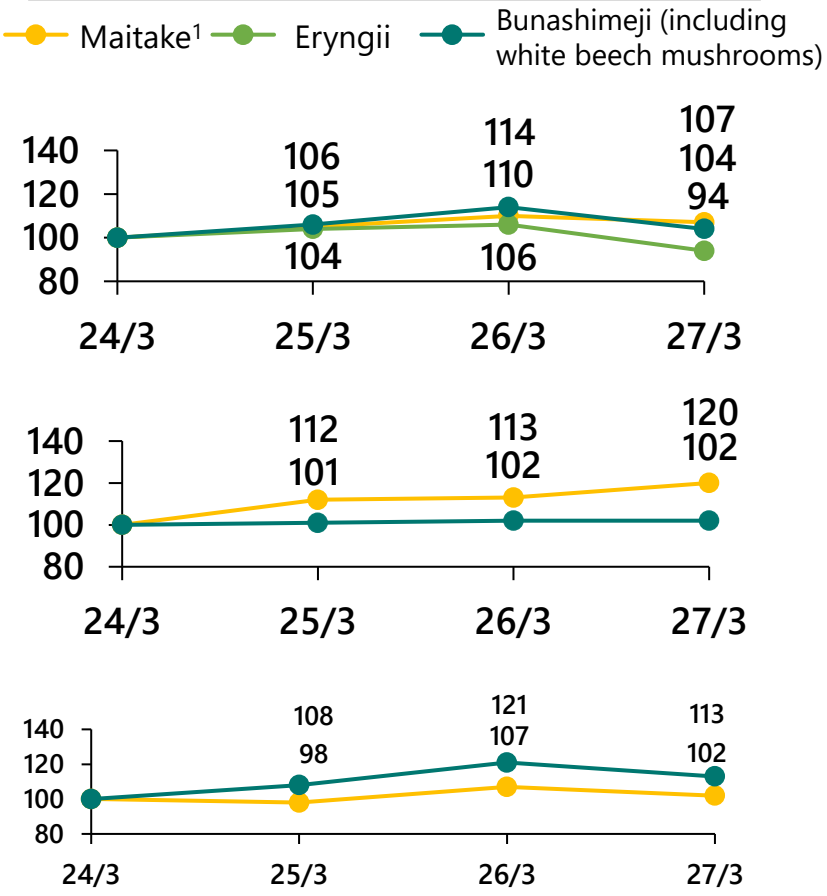
Second Quarter of the Fiscal Year Ending March 31, 2027: Trends in Overseas Mushroom Production Volume and Unit Prices by Type and Country

Sales volume in the U.S. declined as consumption contracted due to the impact of the Middle East situation. Production adjustments and inventory reduction were made in line with supply and demand, and special sales promotions were implemented to help restore regular unit prices. However, sales unit prices were also lower than in the second quarter of the fiscal year ended March 31, 2026.

Production Volume Trends (Unit: t)



Unit Price Trends (Index)



Note 1: Maitake mushrooms in Taiwan and Southeast Asia are imported from Japan

*Figures are cumulative through the second quarter

Consolidated Financial Results for the Second Quarter of the Fiscal Year Ending March 31, 2027 (vs. Plan)

HOKTO

Higher selling prices for mushrooms in Japan and restrained SG&A expenses absorbed cost increases stemming from the situation in the Middle East. Both net sales and operating profit progressed ahead of plan

(Millions of yen)

	Initial Plan	2nd Quarter of the Fiscal Year Ending March 31, 2027	Deviation from Plan	Percentage Change from Plan
Sales	38,900	39,561	661	1.7%
Gross Profit	9,090	9,256	166	1.8%
Gross Profit Margin	23.4%	23.4%		
Selling, General, and Administrative Expenses	8,980	8,544	△435	△4.9%
Operating Profit	110	712	602	547.7%
Operating Profit Margin	0.3%	1.8%		
Ordinary Profit	330	827	497	150.6%
Ordinary Profit Margin	0.8%	2.1%		
Net Profit	△94	386	480	—
Net Profit Margin	△0.2%	1.0%		
Earnings per Share	△3.00 yen	12.34 yen		

Second Quarter of the Fiscal Year Ending March 31, 2027 Segment Overview (vs. Plan)

HOKTO

The domestic mushroom business exceeded plan, driven by higher selling prices, among other factors, and led overall performance

(Millions of yen)

		Initial Plan	2nd Quarter of the Fiscal Year Ending March 31, 2027	Deviation from Plan	Percentage Change from Plan
Mushroom business in Japan	Sales	23,805	24,405	599	2.5%
	Operating Profit	562	1,090	527	93.7%
Mushroom business outside Japan	Sales	4,147	3,695	△451	△10.9%
	Operating Profit	426	89	△337	△79.1%
Processed products business	Sales	4,061	3,975	△85	△2.1%
	Operating Profit	121	210	88	72.7%
Chemical products business	Sales	6,880	7,484	604	8.8%
	Operating Profit	312	441	129	41.4%

Second Quarter of the Fiscal Year Ending March 31, 2027: Mushroom Business Outside Japan (vs. Plan)

HOKTO

The overseas mushroom business fell short of plan, primarily due to lower sales volume in the U.S. Meanwhile, in Malaysia, profitability improved beyond plan thanks to proactive promotional activities

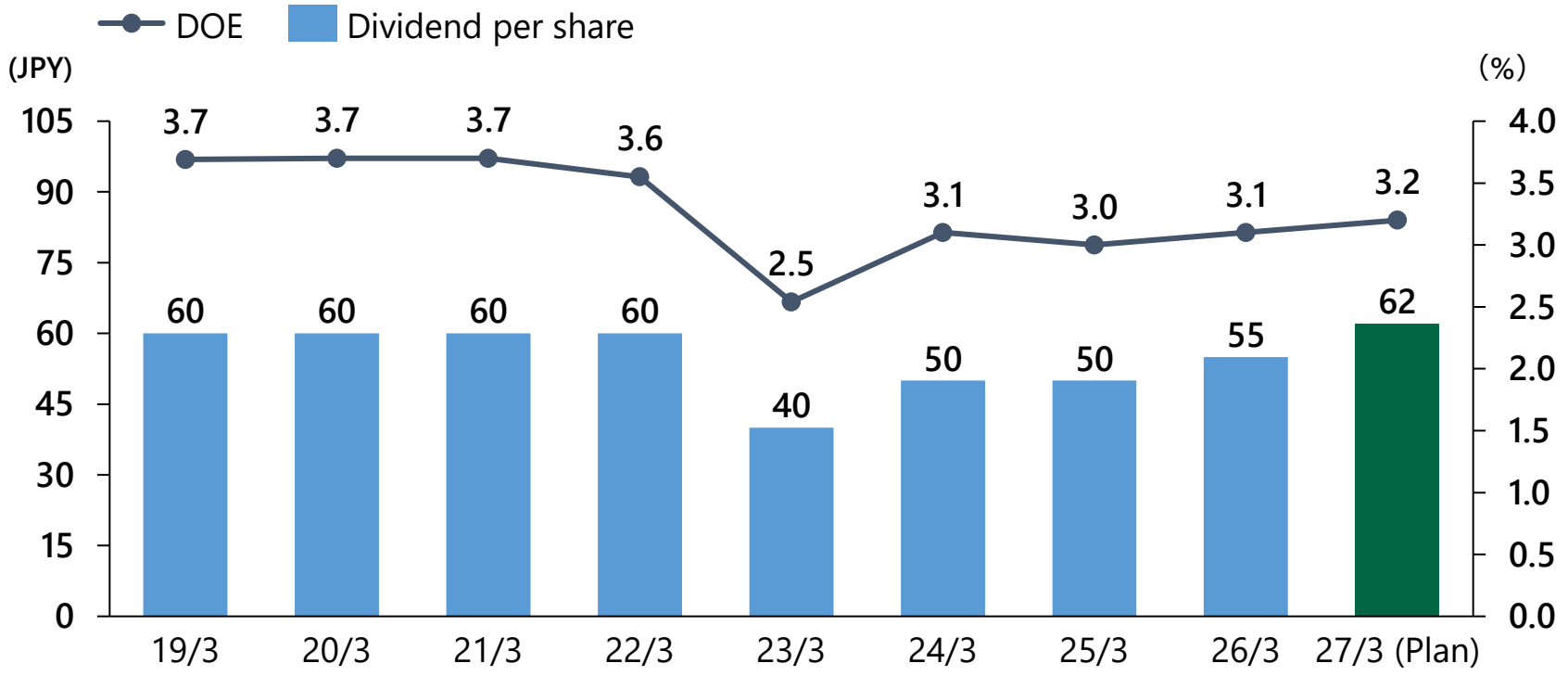
		Initial Plan	2nd Quarter of the Fiscal Year Ending March 31, 2027	Deviation from Plan	Percentage Change from Plan
United States	Sales	14.24 million USD	11.90 million USD	△2.33 million USD	△16.4%
	Operating Profit	0.67 million USD	△1.53 million USD	△2.20 million USD	—
	Foreign Exchange	156.60	157.35		
Taiwan	Sales	NT$321 million	NT$310 million	△NT$10 million	△3.3%
	Operating Profit	NT$64 million	NT$49 million	△NT$15 million	△24.0%
	Foreign Exchange	4.90	4.94		
Malaysia	Sales	RM8.03 million	RM6.99 million	△RM1.04 million	△13.0%
	Operating Profit	△RM2.02 million	△RM1.33 million	RM0.68 million	—
	Foreign Exchange	39.70	38.58		

Shareholder Returns

To achieve the DOE target of 3.5%, a total annual dividend of 62 yen is planned for the fiscal year ending March 31, 2027, up 7 yen year on year

Shareholder Return Policy

(1) We will strive to continue stable dividends while securing the internal reserves necessary for the Company
(2) A DOE of 3.5% for the fiscal year ending March 31, 2029 is our dividend target
(3) Internal reserves will be prioritized for strategic investments essential to future growth



1. Second Quarter Financial Results for the Fiscal Year Ending March 31, 2027

2. Progress of the Mushroom Business in Japan

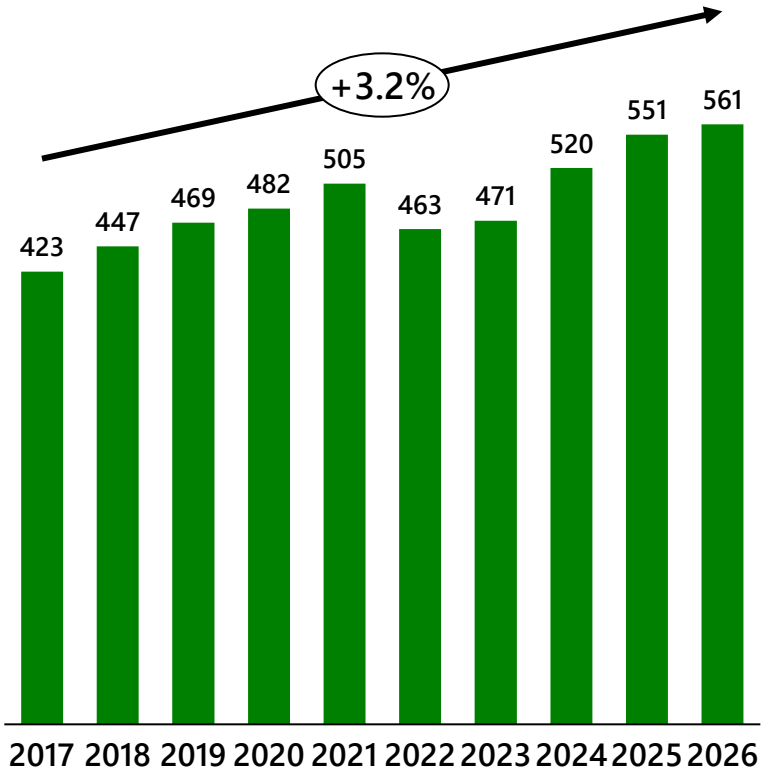
3. Progress of the Mushroom Business outside Japan

4. Reference Materials

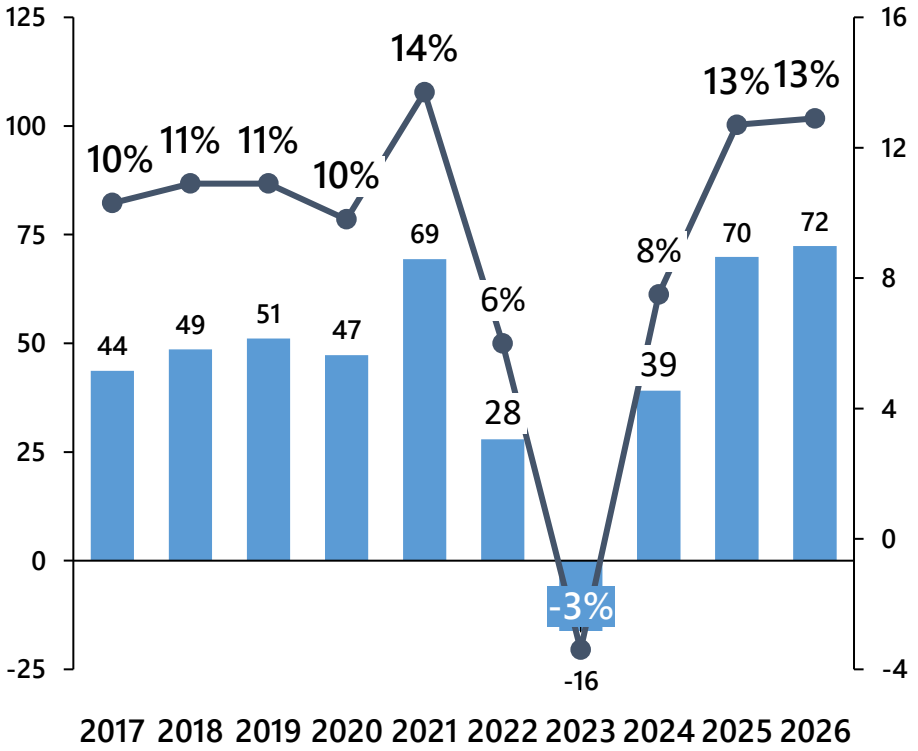
Our Results (1/2)

We continue to provide a stable supply of high-quality mushrooms as the leading company, growing both sales and profits

Domestic Mushroom Business Sales (100 million yen)



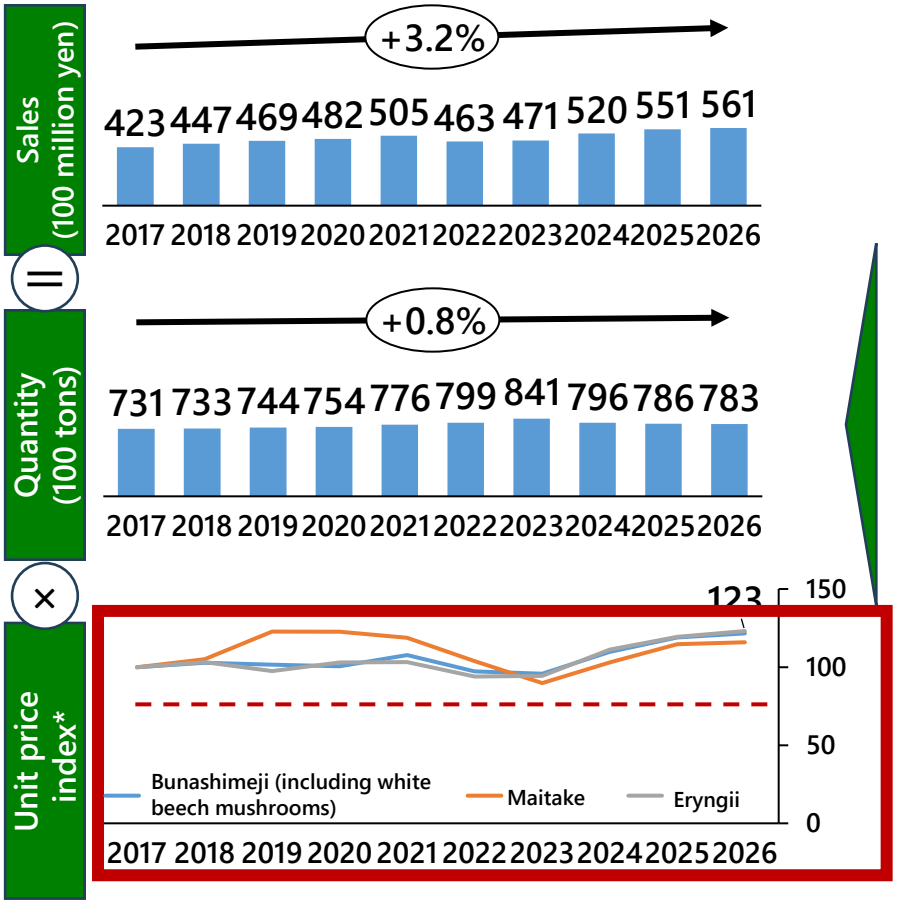
Domestic Mushroom Business Segment Profit (100 million yen) and Profit Margin (%)



Our Results (2/2)

Sales activities leveraging our direct-sales network, supply-demand management, and branding initiatives enabled us to improve unit selling prices independent of volume.

Growth Breakdown



Sales and Branding Results

Strengthening sales

- Leveraging our high distribution coverage and direct sales channels, we have been stepping up sales of items not yet distributed in each region.
- By strengthening coordination between sales and production and finely adjusting monthly production volumes, unit prices remained stable at high levels throughout the year.

Branding

- As a leading mushroom company, we have promoted ways to enjoy mushrooms and the quality of our mushrooms through diverse media, including social media, YouTube, and TV, to encourage more occasions for mushroom consumption.
- We have refreshed our packaging to encourage consumers to pick up our products in stores.

Details on next page

*Indexed with the FY2017 level set at 100

Branding initiatives

As a leading mushroom company, we are actively pursuing media exposure to stimulate demand. Bunashimeji and Shimofuri Hiratake, among others, contributed to clear sales growth

Key Initiatives

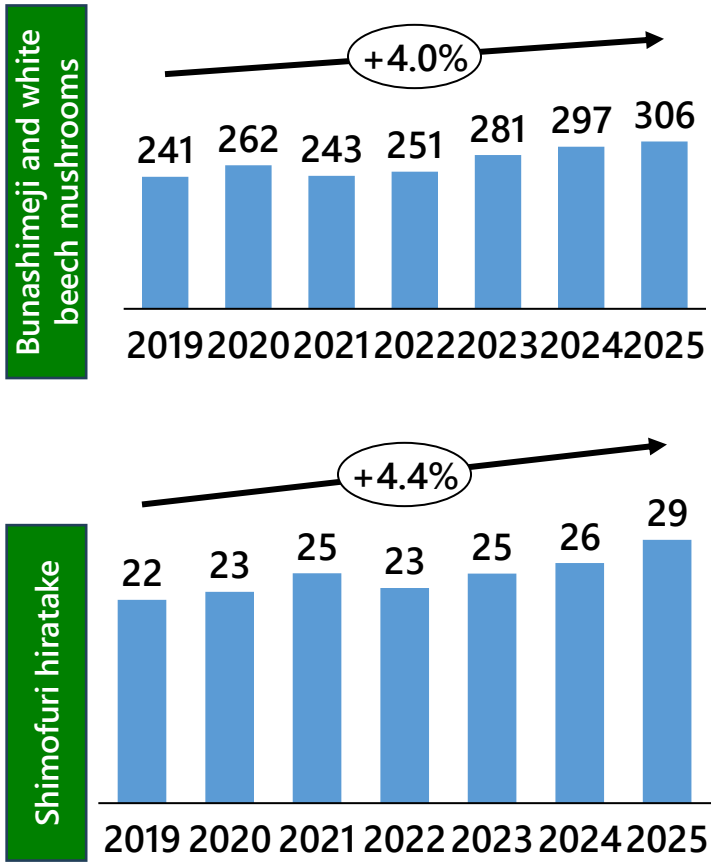
Media exposure

- We collaborated with "Ryuji's Buzz Recipe," the YouTube channel of culinary expert Ryuji, which has 5.69 million subscribers*, and since our first collaboration in April 2025, we have conducted 14 campaigns, generating a cumulative 8.82 million views*.
- Published eight "super-fast mushroom meal" recipe videos on TikTok and Instagram and YouTube Shorts, pursuing "time performance" for younger audiences, generating a cumulative 50,000 views*
- We also partnered with food influencers with large followings and short-form drama productions, promoting easy ways to enjoy mushrooms as part of a healthy lifestyle
- These communications also prompted a rise in inquiries from television outlets, and resulted in regular appearances on programs including Fuji TV's "What Will You Do on Saturday!?" in February 2026, and NHK Educational TV's "The Backyard: Exploring Behind the Scenes of the Labyrinth of Knowledge" in September 2026

Packaging change

- Shimofuri Hiratake: Packaging changed in March 2025
- Eryngii: Packaging changed in November 2025
- Cut mushrooms: Packaging changed in May 2026

Sales of Various Mushrooms (100 million yen)



*As of the end of October 2026

Branding Initiative (1) (Super-Fast Mushroom Meals)

Creating new occasions for younger generations and single-person households to enjoy mushrooms, centered on convenience, time savings, and health

Super-Fast Mushroom Meals

"One Person, One Meal, One Pack": An easy recipe for enjoying delicious mushrooms in a single meal with minimal effort

- No knife required
- Fewer dishes
- Simple steps



Published on HOKUTO's official social media accounts

[Official YouTube shorts]



[Official TikTok videos]



Bonus edition

Super-Fast Mushroom Meals "Quick Add-On Series"

Add a whole bag of mushrooms to cup noodles, frozen pasta, or ready-to-eat curry as a quick add-on.



Branding Initiative (1) (Super-Fast Mushroom Meals)

Expand reach among younger audiences and stimulate new demand through collaborations with social media platforms and influencers

(1) Influencer Collaboration

Nana OL's Easy Meals



◎ Followers

Instagram : 338,000
TikTok : 151,000
YouTube : 360,000

An influencer who posts videos featuring a female office worker coming home late at night after working overtime and making simple meals

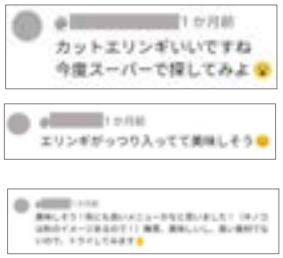
(i) Japanese-Style Creamy Mushroom Pasta
Available since August 31 (Mon.)



Instagram: 302,000 views
TikTok: 124,000 views
YouTube: 330,000 views

(ii) Refreshing Maitake and Pork Rice Bowl
Available since September 18 (Fri.)





Instagram: 190,000 views
TikTok: 59,000 views
YouTube: 100,000 views

(2) Short-Drama Collaboration

Tadatsu Watanabe



◎ Followers

Instagram : 213,000
TikTok : 139,000
YouTube : 50,000

An acting duo from a theater troupe that posts comedic short dramas that make you laugh

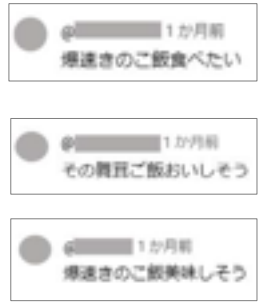
(i) Returning Home ~ Super-Fast Mushroom Meals Edition ~
Available since August 28 (Fri.)



Instagram: 1,206,000 views
TikTok: 301,000 views
YouTube: 380,000 views

(ii) Placebo ~ Super-Fast Mushroom Meals Edition ~
Available since September 11 (Fri.)





Instagram: 113,000 views
TikTok: 134,000 views
YouTube: 47,000 views

Total for 4 videos
3.286
million views*

*As of September 29, 2026

Branding Initiative (2) (Packaging Change)

Sequentially refreshing the packaging of major products to improve in-store visibility and product appeal



Changed in March 2025



Changed in November 2025



Changed in May 2026

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United States: Results of Enhanced Sales Capabilities and Sales Expansion

Hiring and the establishment of sales offices in the East Coast region are progressing. In addition, transactions with Kroger, one of the largest supermarket chains in the U.S., have begun, marking steady progress in expansion into the previously underserved Midwest and Eastern markets

Distribution Coverage at the Top 10 U.S. Supermarkets*

Chain Name	Number of Stores	Area	Distribution Status of Our Mushrooms
Walmart	Approximately 4,600	Nationwide	Not yet distributed
Kroger	**Approximately 2,720**	**Midwestern, Southern, and Eastern regions**	**Distribution begins (June 2026 onward)**
Albertsons/Safeway	Approximately 2,200	West Coast, Western Region, East Coast	Not yet distributed
Ahold Delhaize USA	Approximately 2,000	East Coast	Not yet distributed
Publix	Approximately 1,350	Southeastern region	Not yet distributed
Hy-Vee	Approximately 700	Midwest	Not yet distributed
Trader Joe's	**Approximately 600**	**West Coast / East Coast**	**Already distributed**
Whole Foods	**Approximately 530**	**Major U.S. cities**	**Already distributed**
Sprouts	Approximately 450	West and South	Not yet distributed
H-E-B	Approximately 400	Texas	Not yet distributed

*Excluding discount formats and franchise groups
Source: Orbital US grocery market, mapped June 2026

Product Availability at Kroger Group

We began distributing our products to the Kroger Group, which operates more than 2,700 stores nationwide, expanding our sales channels in the U.S.

About the Kroger Group



Ralphs · Fred Meyer · King Soopers · Smith's

More than 2,700 stores

Sales of approximately $147.6 billion

Operates multiple locally rooted supermarket brands across the U.S.

Availability of Our Products





Hokto Organic Maitake

Available in stores and listed on e-commerce sites

Progress on the New U.S. Plant: Exterior Rendering

The second U.S. plant is progressing as planned toward commencing operations in the fiscal year ending March 2029. Steadily establishing a supply system to support medium- to long-term sales expansion





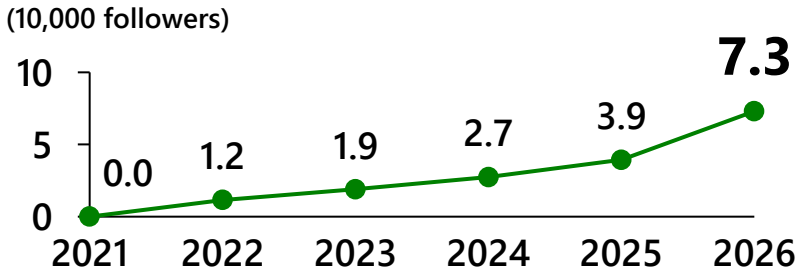
Marketing Initiatives in North America

Broaden awareness of our company and mushrooms through diverse channels, including recipe content shared via social media such as Instagram, influencer collaborations, and in-store promotions

■ **Our Instagram Account for English-Speaking Markets**



■ **Trend in Number of Followers**



■ **In-Store Promotions**

We conducted promotional activities for our mushrooms at a special booth set up at Mitsuwa Market Place, the largest Japanese food supermarket chain in the United States.



Strategy and Progress in ASEAN

We have been expanding from the Malaysia plant into ASEAN countries, including Singapore. Our proactive promotional activities paid off, driving a recovery in sales volume while maintaining unit prices.



Core area: Order volume expanding

Focus area: Number of trading partners recovering

Expansion area: To be developed going forward

■ Strengthening Sales Activities

- Number of tasting promotions and roadshows conducted (First half): Increased substantially from 10 times in FY2026 to 58 times
- Strengthening communication through the proactive use of local staff in each country





■ Strengthening Our Marketing Efforts

- Marketing activities featuring local influencer Dapurtiyah

■ Collaboration with Japanese Companies

- Hold a collaborative tasting event with Kikkoman



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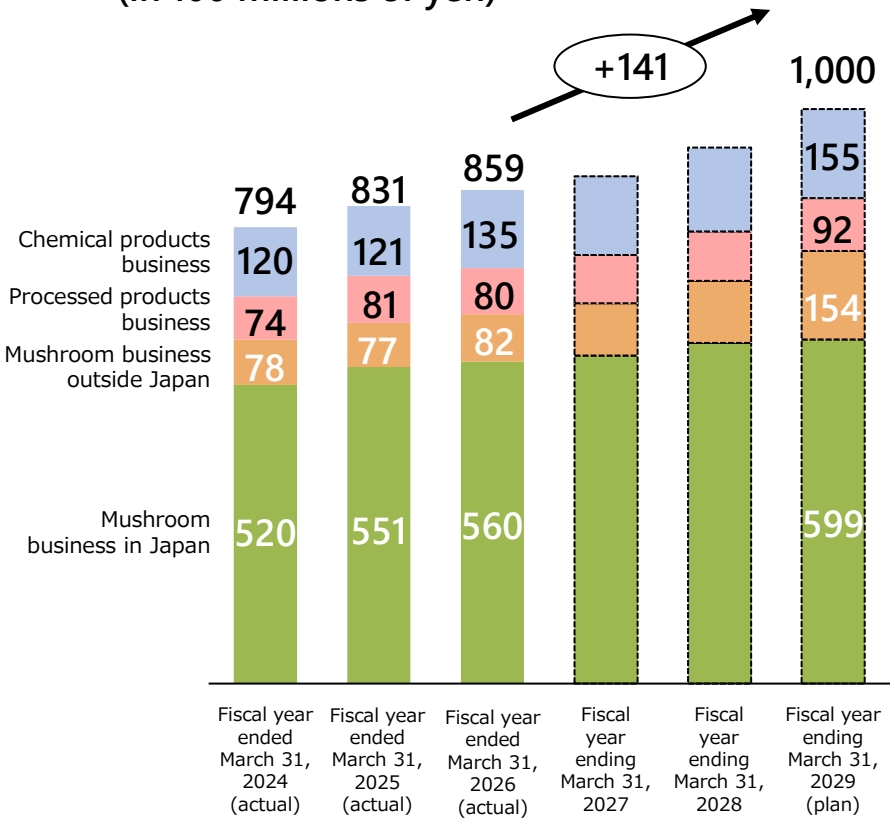
4. Reference Materials

Medium-Term Management Plan

Targeting sales of 100.0 billion yen and operating profit of 10.0 billion yen for the fiscal year ending March 31, 2029

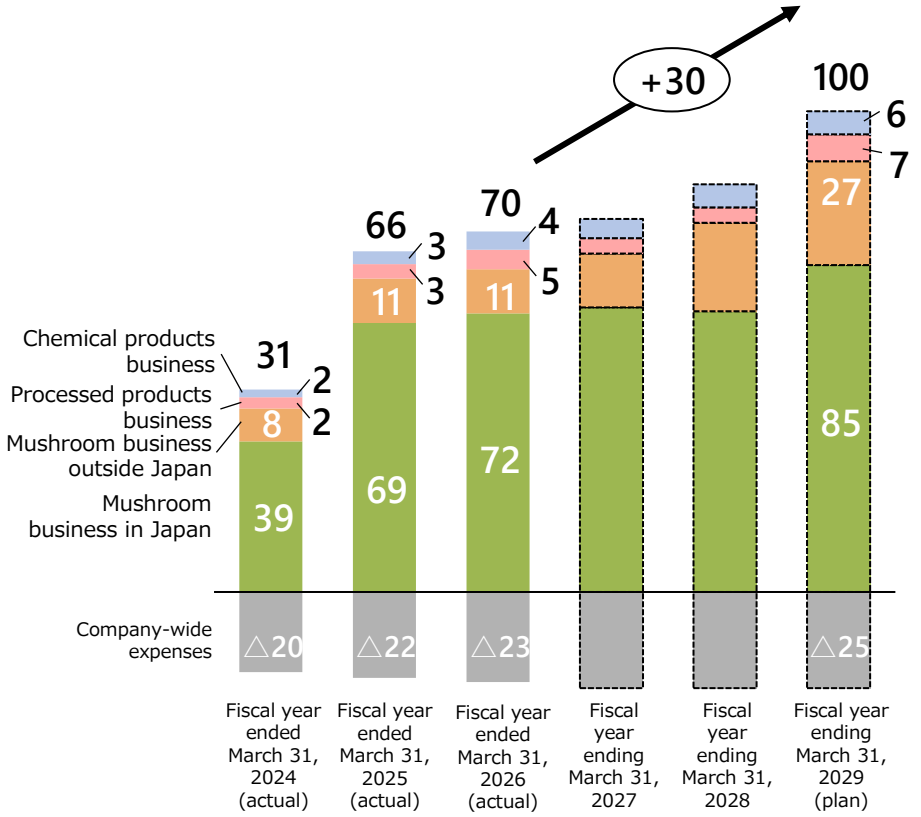
Net sales (consolidated)

(in 100 millions of yen)

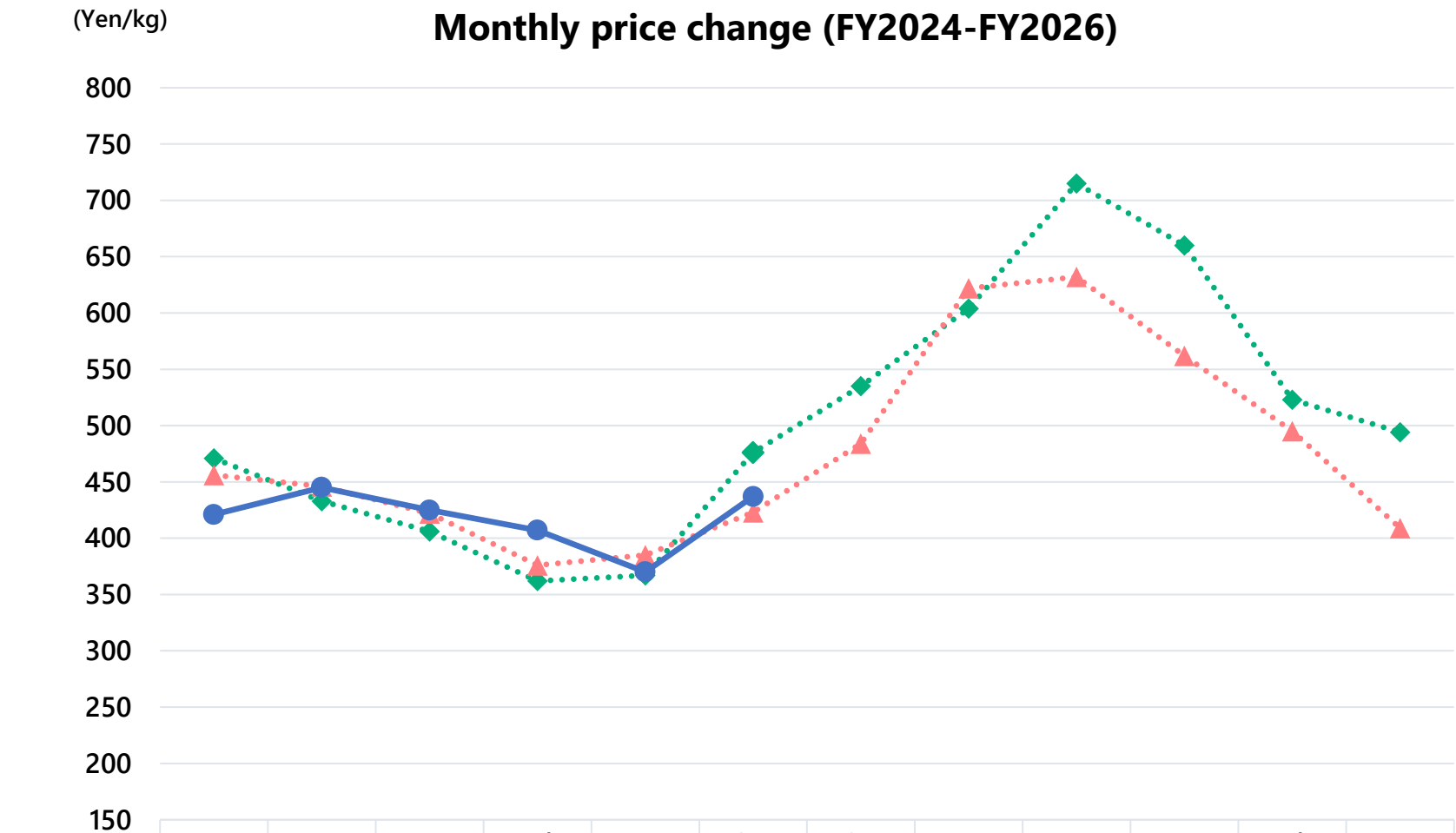


Operating profit (consolidated)

(in 100 millions of yen)



(Reference) Bunashimeji: Market Price Trends

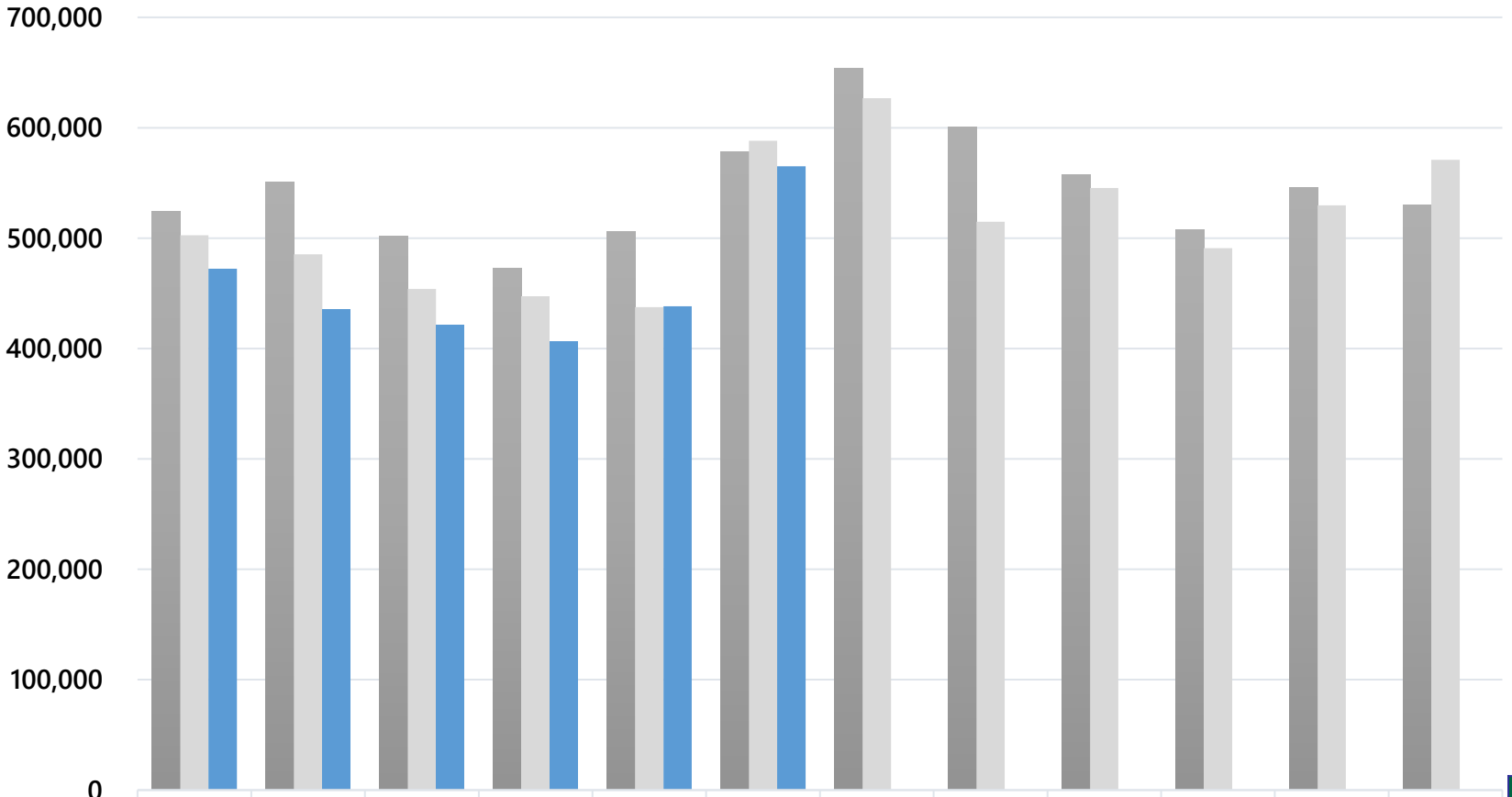


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average price
FY2024	471	433	406	362	367	476	535	604	715	660	523	494	508
FY2025	456	446	422	376	385	423	484	622	632	562	495	409	478
FY2026	421	445	425	407	370	437							419

Reference: Tokyo Metropolitan Central Wholesale Market, Market Transaction Data

(Reference) Bunashimeji: Market Sales Volume Trends

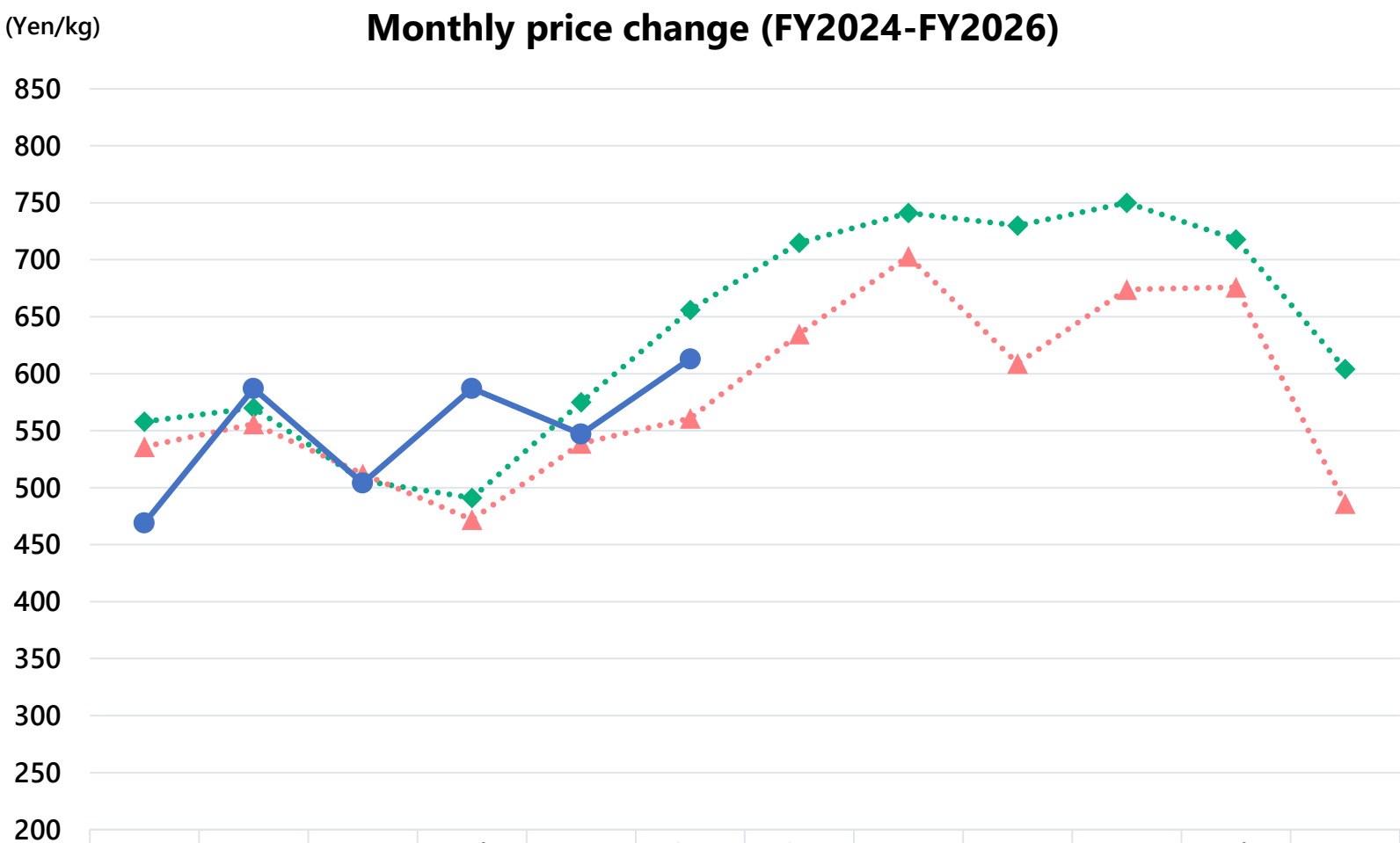
Monthly sales volume change (FY2024-FY2026)



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Annual sales volume
FY2024	524,047	550,738	501,797	472,643	506,322	578,585	653,417	600,727	557,566	507,922	545,553	529,624	
FY2025	502,476	485,332	453,870	447,737	437,420	588,166	626,762	514,931	545,377	490,809	529,656	570,879	6,528,941
FY2026	472,314	435,436	421,324	406,858	438,226	565,076							6,193,415
													2,739,234

Reference: Tokyo Metropolitan Central Wholesale Market, Market Transaction Data

(Reference) Eryngii: Market Price Trends

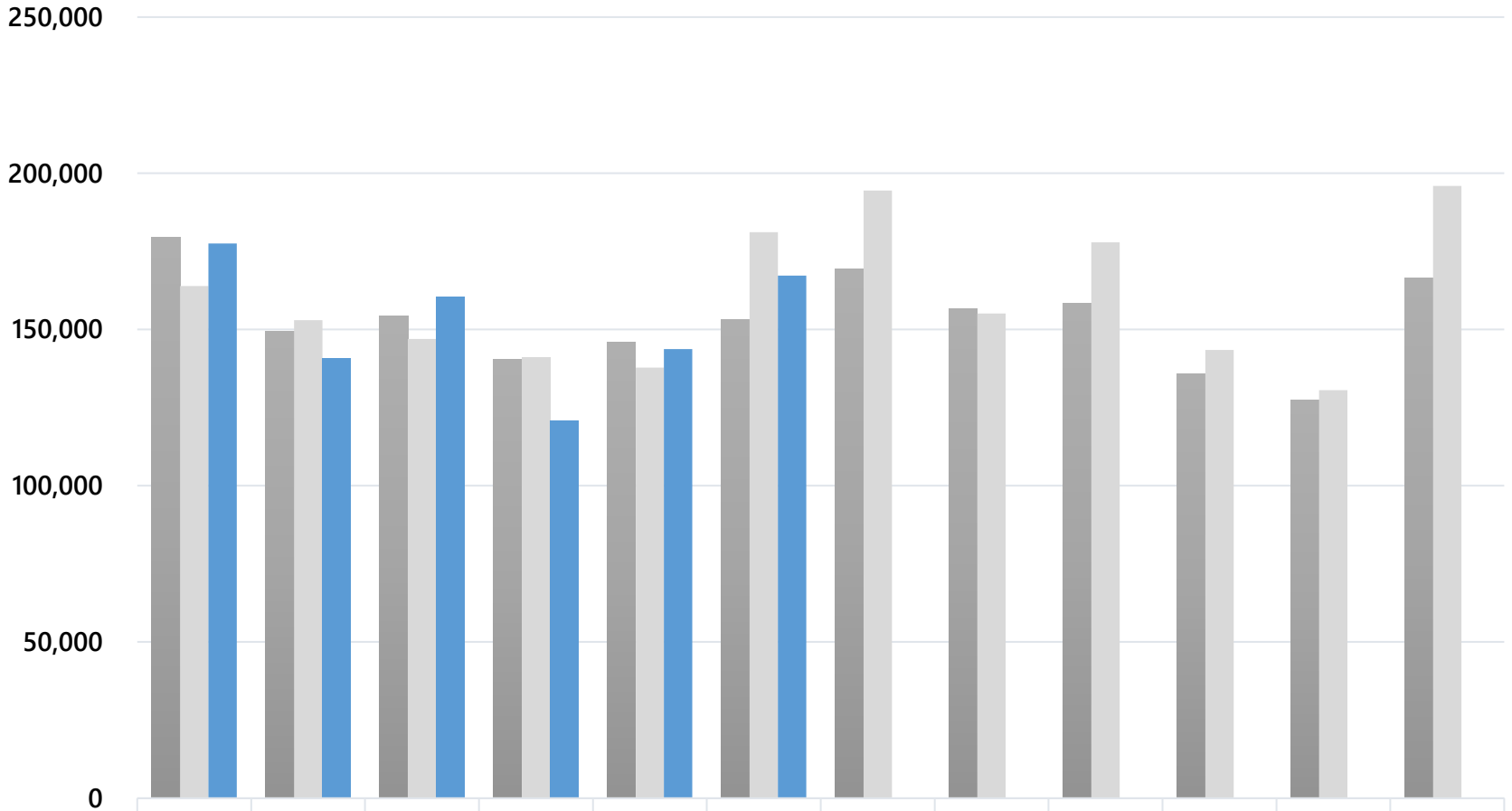


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average price
FY2024	558	570	506	491	575	656	715	741	730	750	718	604	633
FY2025	536	556	512	472	539	561	635	703	609	674	676	486	579
FY2026	469	587	504	587	547	613							548

Reference: Tokyo Metropolitan Central Wholesale Market, Market Transaction Data

(Reference) Eryngii: Market Sales Volume Trends

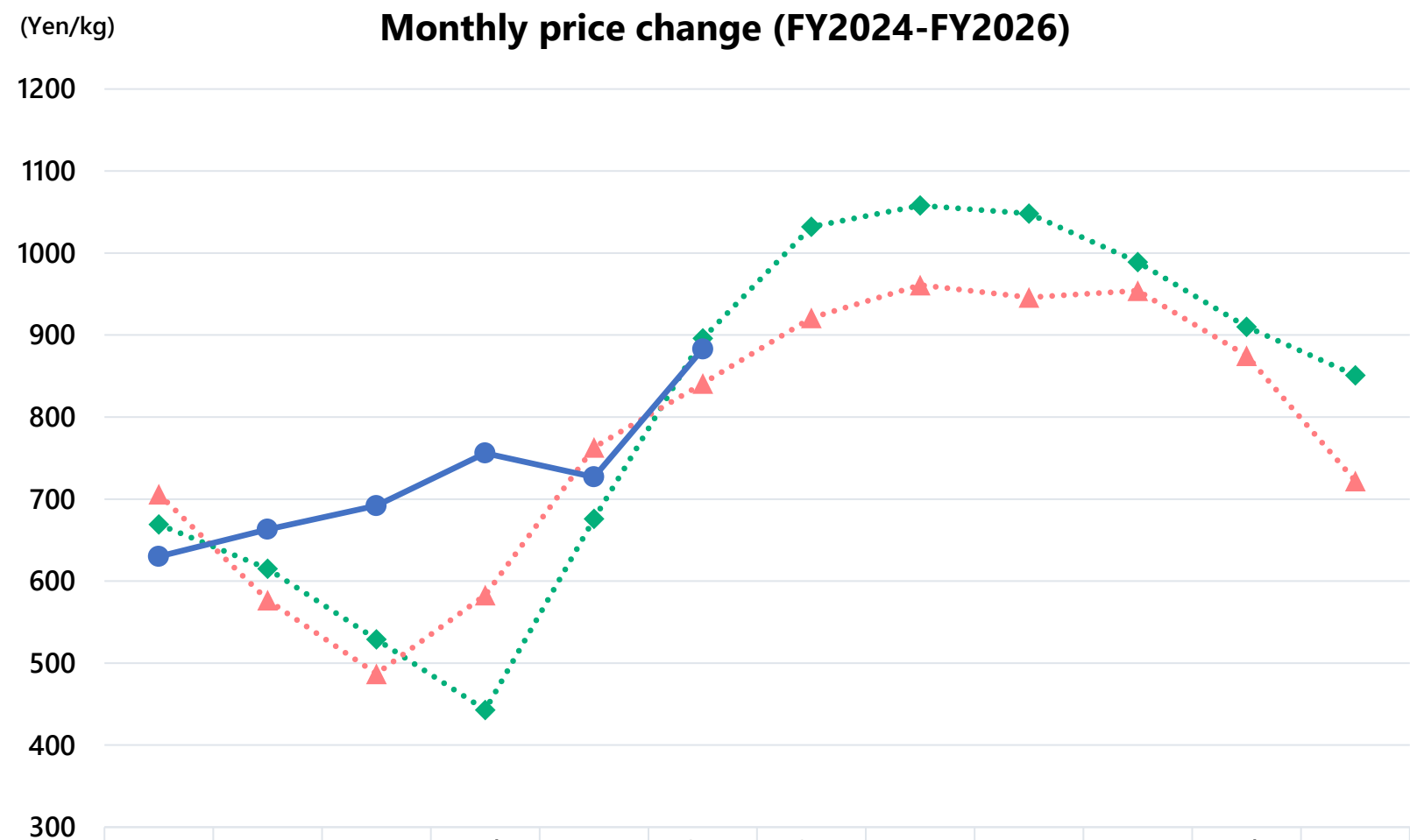
Monthly sales volume change (FY2024-FY2026)



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Annual sales volume
FY2024	179,605	149,546	154,387	140,347	145,912	153,267	169,323	156,701	158,346	135,882	127,450	166,442	1,837,208
FY2025	163,952	153,015	147,030	141,035	137,825	181,137	194,512	155,134	177,908	143,491	130,602	195,939	1,921,580
FY2026	177,565	140,778	160,505	120,670	143,739	167,295							910,552

Reference: Tokyo Metropolitan Central Wholesale Market, Market Transaction Data

(Reference) Maitake: Market Price Trends

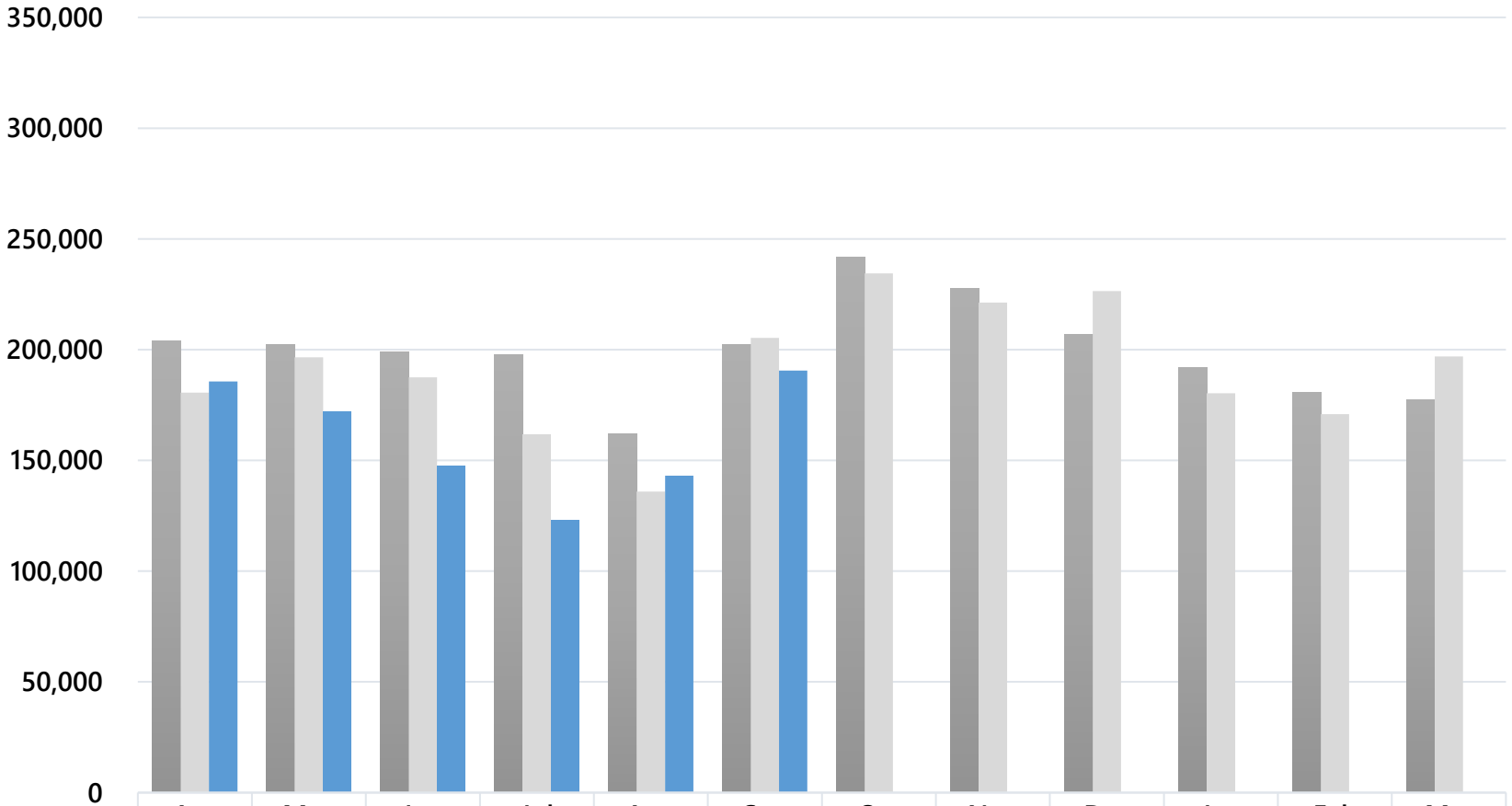


	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Average price
FY2024	669	615	529	443	676	896	1032	1058	1048	989	910	851	817
FY2025	706	577	487	583	763	841	921	961	946	954	875	722	787
FY2026	630	663	692	756	727	883							726

Reference: Tokyo Metropolitan Central Wholesale Market, Market Transaction Data

(Reference) Maitake: Market Sales Volume Trends

Monthly sales volume change (FY2024-FY2026)



	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Annual sales volume
FY2024	203,923	202,413	199,016	197,773	162,052	202,174	241,773	227,529	206,744	191,712	180,895	177,471	2,393,475
FY2025	180,594	196,547	187,529	161,936	135,890	205,352	234,353	221,230	226,463	180,362	170,889	196,917	2,298,062
FY2026	185,667	171,962	147,672	123,220	143,031	190,487							962,039

Reference: Tokyo Metropolitan Central Wholesale Market, Market Transaction Data

Second Quarter of the Fiscal Year Ending March 31, 2027: Mushroom Business in Japan (Comparison of Average Selling Price)

	Year-on-year Comparison with Our Results	Comparison with Our Plan
Bunashimeji (including white beech mushrooms)	105.6%	104.4%
Eryngii	110.8%	103.8%
Maitake	110.7%	107.2%
Shimofuri hiratake	107.5%	104.7%

Mushroom unit prices remained strong, driven by successful regional strategies and marketing initiatives.

Second Quarter of the Fiscal Year Ending March 31, 2027: Mushroom Business in Japan (Comparison of Production Volume)

	Year-on-year Comparison with Our Results	Comparison with Our Plan
Bunashimeji (including white beech mushrooms)	99.5%	100.2%
Eryngii	95.4%	98.1%
Maitake	97.6%	99.5%
Shimofuri hiratake	110.2%	100.9%

Production volume is roughly in line with plan

Outline of the Hokuto Group



HOKUTO Corporation

Address: Nagano City, Nagano Prefecture
Representative: Masayoshi Mizuno, President and CEO
Securities code: 1379
Listed market: Tokyo Stock Exchange Prime Market
Number of shares issued: 33,359,040 shares

Market capitalization: 68,252 million yen (As of end-September 2026)
Shareholders' equity: 59,048 million yen
Number of employees: 4,063
Main business: Mushroom production and distribution

(As of end-September 2026)







Hokuto Industry Corporation

Production and distribution of chemical products



HOKTO KINOKO COMPANY

Mushroom production and distribution in North America



Arden Incorporated

Retort pouch food production



TAIWAN HOKUTO CORPORATION

Mushroom production and distribution in Taiwan

Sun Medica Co., Ltd.

Mushroom Wisdom, Inc,

PT HOKTO INDONESIA MATERIALS

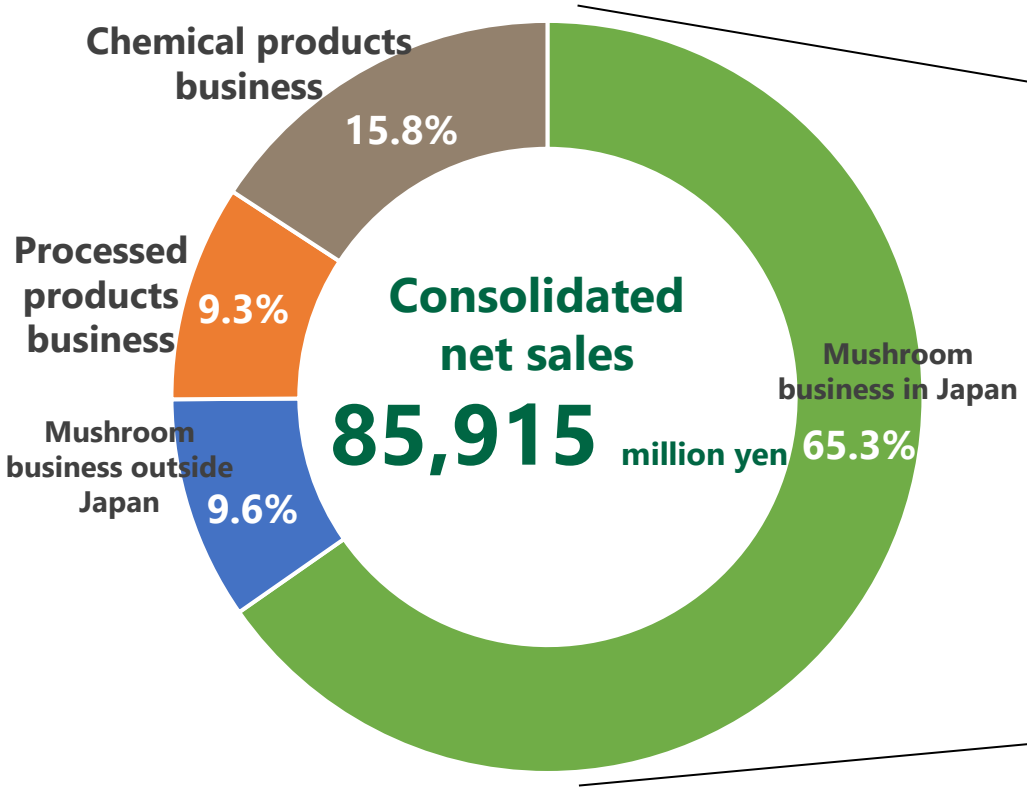


HOKTO MALAYSIA SDN.BHD.

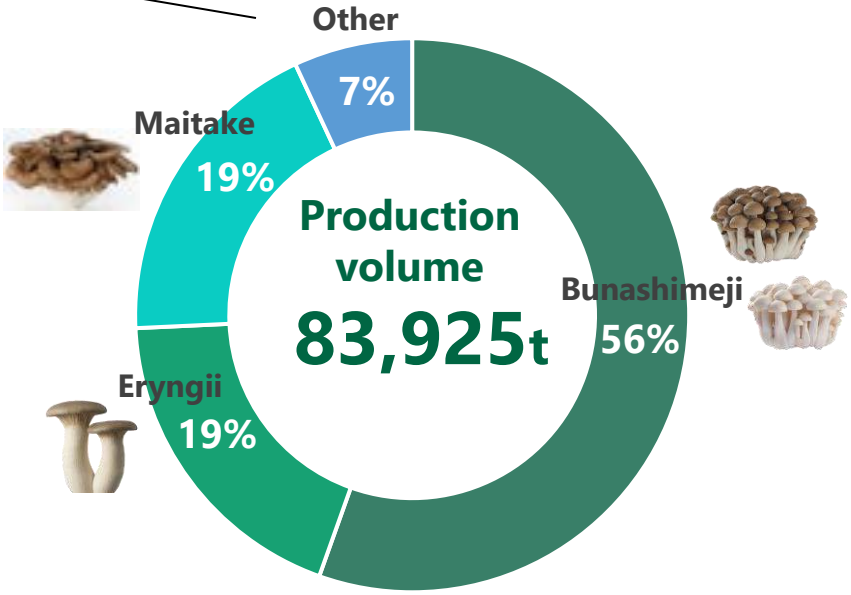
Mushroom production and distribution in Southeast Asia

Sales Composition of the Hokuto Group (Fiscal Year Ended March 31, 2026)

By segment



Mushroom production volume



Inquiries about IR

Finance Headquarters

Public and Investor Relations

TEL：026-259-5955

HOKUTO Corporation

