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Consolidated Financial Results for the Three Months Ended June 30, 2026
(Based on Japanese GAAP)

August 12, 2026

Company name: HOKUTO CORPORATION Stock exchange listing: Tokyo

Stock code: 1379 URL: https://www.hokto-kinoko.co.jp/lang/en/

Representative: President Masayoshi Mizuno

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Scheduled date to commence dividend payments: —

Preparation of supplementary material on financial results: Yes

Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the three months ended June 30, 2026 (from April 1, 2026 to June 30, 2026)

(1) Consolidated operating results

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	%
Three months ended June 30, 2026	19,343	4.4	418	136.8	777	426.1	452	–66.7
Three months ended June 30, 2025	18,524	3.9	176	–	147	–84.0	1,358	125.4

Note: Comprehensive income: Three months ended June 30, 2026: ¥973 million [–53.8%]
Three months ended June 30, 2025 ¥2,108 million [423.9%]

	Earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended June 30, 2026	14.44	12.37
Three months ended June 30, 2025	43.43	37.21

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of June 30, 2026	115,729	64,504	55.7
As of March 31, 2026	113,726	64,924	57.1

Reference: Equity: As of June 30, 2026: ¥64,504 million
As of March 31, 2026: ¥64,924 million

2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2026	–	10.00	–	45.00	55.00
Year ending March 31, 2027	–				
Year ending March 31, 2027 (planned)		10.00	–	52.00	62.00

Note: Revisions to the cash dividend forecasts most recently announced: None

3. Forecast of consolidated financial results for the year ending March 31, 2027 (from April 1, 2026 to March 31, 2027)

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
Six months ending September 30, 2026	38,900	2.2	110	89.3	330	7.2	(94)	―	(3.00)
Full year	88,100	2.5	7,260	3.3	7,650	–6.6	5,250	–25.1	167.22

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

4. Notes

(1) Significant changes in the scope of consolidation during the three months ended June 30, 2026: No

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

(3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

Changes in accounting policies due to revisions to accounting standards and other regulations: No

Changes in accounting policies due to other reasons: No

Changes in accounting estimates: No

Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)	As of June 30, 2026	33,359,040 shares	As of March 31, 2026	33,359,040 shares
Number of treasury shares at the end of the period	As of June 30, 2026	1,990,866 shares	As of March 31, 2026	2,012,666 shares
Average number of shares during the period (cumulative from the beginning of the fiscal year)	Three months ended June 30, 2026	31,353,674 shares	Three months ended June 30, 2025	31,271,314 shares

Notes: 1. Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: None

2. Proper use of forecasts of financial results, and other special matters

(Cautions on forward-looking statements, etc.)

Forward-looking statements, including the earnings forecasts stated in this document, are based on information currently available to the Company and certain assumptions deemed reasonable. Consequently, any statements herein do not constitute assurances regarding actual results by the Company. Actual results may differ materially from the forecasts due to various factors. For the suppositions that form the assumptions for earnings forecasts and cautions concerning the use thereof, please refer to '(3) Information regarding consolidated earnings forecasts and other forward-looking statements' in '1. Overview of Operating Results, Etc.,' on page 3 of the attached materials.

Contents

1. Overview of Operating Results, Etc.

(1) Overview of operating results for the three months of the fiscal year ending March 31, 2027

During the three months ended June 30, 2026, the Japanese economy maintained a moderate recovery trend amid improvement in the employment and personal income environment. However, the outlook remained uncertain, partly due to rising prices and higher energy costs stemming from the situation in the Middle East, as well as fluctuations in exchange rates and interest rates resulting from global instability.

In this economic environment, under the Management Vision to “Expand the market and consumption, with delivering health through mushrooms as our mission” and to “Balance profit generation and corporate social responsibility,” the Group carried out business activities primarily in the mushroom business to deliver deliciousness and health to more and more people through research and development, production, and sales of mushrooms, which are a health food.

As a result of the above, the operating results of the Group for the three months ended June 30, 2026 were net sales of ¥19,343 million (up 4.4% year on year), operating profit of ¥418 million (up 136.8%), ordinary profit of ¥777 million (up 426.1%), and profit attributable to owners of parent of ¥452 million (down 66.7%).

Production output of the main mushroom varieties for the three months ended June 30, 2026 (consolidated basis) consisted of 10,695t of Bunashimeji, including Bunapi (down 1.0% year on year), 3,877t of Eryngii (down 5.9%), and 3,516t of Maitake (down 4.9%).

The overview of each segment for the three months ended June 30, 2026, is as follows.

Mushroom business in Japan

The production division continued working to reduce costs, performed even more thorough hygiene control, worked to improve quality and for stable cultivation, and produced mushrooms safely and securely.

The R&D division worked to increase product quality, develop new high value-added products and new varieties, and pursue the pharmacological effects and functionality of mushrooms.

The sales division advocated for “Kinkatsu through mushrooms” (the lifestyle habit of incorporating mushrooms into daily meals) with the three pillars of health, beauty, and sports in order to stimulate mushroom demand and carry out sales activities with a commitment to freshness. The Company continues to advance initiatives set forth in the Medium-Term Management Plan, including new customer development and area-based strategies, while implementing measures to enhance brand awareness through social media and conduct promotions at mass retail stores. Following the Golden Week holidays, mushroom prices remained firm, supported in part by firm vegetable market prices resulting from unfavorable weather conditions.

As a result, net sales for the mushroom business in Japan as a whole were ¥12,095 million (up 2.6% year on year), and segment profits were ¥673 million (up 47.7%).

In addition, the Company continued to explore ways to expand its product lineup in order to meet a broader range of customer needs. In light of growing demand for mushrooms in Japan in recent years, it acquired Funagata Mushroom Co., Ltd., the industry’s third-largest mushroom producer, as a subsidiary in May 2026.

Mushroom business outside Japan

At the U.S. subsidiary, Hokto Kinoko Company, the sharp rise in gasoline prices resulting from the situation in the Middle East dampened consumer spending, creating a challenging operating environment for the mushroom market. In addition, both net sales and operating profit fell short of targets due in part to the Company’s unsuccessful bid for business from a stable commercial customer after the customer adopted a competitive bidding process. Meanwhile, new customer development efforts have begun to yield results, and the Company commenced business with the Kroger Group, one of the largest retailers in the United States, in certain regions.

At Taiwan Hokuto Corporation, our subsidiary in Taiwan, the last-minute cancellation of a major promotional campaign planned with a key customer at the beginning of the year, together with significant excess inventory caused by a sharp decline in vegetable market prices and the resulting promotional sales to reduce surplus inventory, caused both net sales and operating profit to fall short of targets. Nevertheless, results remained broadly in line with the same period of the previous fiscal year.

At Hokto Malaysia Sdn. Bhd., our subsidiary in Malaysia. In Malaysia in particular, where competition from Chinese products remains intense, the Company enhanced both the quality and scale of promotional events at major retail stores while strengthening its marketing efforts by expanding its target customer base. Despite net sales falling short of targets, strengthened sales promotion efforts across the rest of the ASEAN region helped reduce the operating loss significantly below plan.

As a result, net sales for the mushroom business outside Japan as a whole were ¥1,820 million (down 0.1% year on year), and segment profits were ¥82 million (down 64.2%).

Processed products business

In the processed products business, we focused on expanding sales of fresh mushrooms for commercial use, processed mushroom products, and a variety of processed foods, while also developing new products and cultivating new markets. As a result, products for restaurants, delicatessens, and prepared meals performed strongly, driving overall business performance, while sales to convenience stores also recovered. In the mail-order businesses, a review of its e-commerce operations and advertising strategy led to significant growth not only in dried mushrooms, which had already been performing well, but also in retort pouch foods. Combined with an increase in the number of repeat customers for health food products, the business as a whole continued to grow steadily. At the subsidiary Arden Corporation, sales struggled in April and May due to weaker-than-expected orders from regular customers at the beginning of the fiscal year. However, a strong recovery in June meant that, although net sales fell slightly short of plan, production volume and operating profit exceeded targets.

As a result, net sales for the processed products business were ¥1,779 million (up 6.3% year on year), and segment profits were ¥39 million (up 138.4%).

Chemical products business

In the chemical products business, the Company prioritized maintaining a stable supply amid shipment restrictions imposed by manufacturers across the packaging materials, industrial materials, and agricultural materials sectors due to the situation in the Middle East. To address rising procurement costs, the Company worked to secure profitability by implementing price revisions with customers' understanding.

Although the Company's own products were also affected by the situation in the Middle East, orders from existing customers remained stable and continued to perform well.

As a result, net sales for the chemical products business were ¥3,647 million (up 12.7% year on year), and segment profits were ¥188 million (up 74.5%).

(2) Overview of financial position for the period under review

Positions of assets, liabilities and net assets, and the factors thereof as of June 30, 2026 are as follows.

Assets

Current assets as of June 30, 2026 amounted to ¥41,514 million, an increase of ¥984 million from the end of the previous fiscal year. Non-current assets amounted to ¥74,215 million, up ¥1,018 million from the previous fiscal year end.

As a result, total assets amounted to ¥115,729 million, an increase of ¥2,003 million from the end of the previous fiscal year.

Liabilities

Current liabilities as of June 30, 2026 amounted to ¥26,267 million, an increase of ¥2,784 million from the end of the previous fiscal year. This was due mainly to an increase of ¥4,003 million in short-term borrowings, an increase of ¥1,122 million in accounts payable included in other current liabilities, and a decrease of ¥2,438 million in income taxes payable. Non-current liabilities amounted to ¥24,957 million, a decrease of ¥361 million from the end of the previous fiscal year.

As a result, total liabilities amounted to ¥51,225 million, a decrease of ¥419 million from the end of the previous fiscal year.

Net assets

Total net assets as of June 30, 2026 amounted to ¥64,504 million, down ¥419 million from the previous fiscal year end.

As a result, the equity ratio was 55.7% (57.1% at the end of the previous fiscal year).

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

There is no change in the earnings forecasts in the "Summary of Consolidated Financial Results for the Year Ended March 31, 2026 (Based on Japanese GAAP)," dated May 15, 2026.

The earnings forecasts are based on information currently available to the Company and certain assumptions deemed reasonable. Actual results may differ materially from the forecasts due to various factors.

2. Consolidated Financial Statements and Notes

(1) Consolidated balance sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	18,740	21,979
Notes and accounts receivable - trade	6,948	6,560
Securities	5,977	4,077
Merchandise and finished goods	2,220	2,677
Work in process	4,345	4,461
Raw materials and supplies	1,103	1,220
Other	1,201	545
Allowance for doubtful accounts	(8)	(8)
Total current assets	40,529	41,514
Non-current assets		
Property, plant and equipment		
Buildings and structures	74,960	75,209
Accumulated depreciation	(41,862)	(42,535)
Buildings and structures, net	33,097	32,673
Machinery, equipment and vehicles	73,442	74,326
Accumulated depreciation	(65,354)	(66,196)
Machinery, equipment and vehicles, net	8,088	8,129
Land	14,680	15,549
Other	3,645	3,890
Accumulated depreciation	(2,086)	(2,131)
Other, net	1,559	1,759
Total property, plant and equipment	57,426	58,112
Intangible assets	96	85
Investments and other assets		
Investment securities	11,046	11,451
Retirement benefit asset	2,174	2,187
Other	2,623	2,549
Allowance for doubtful accounts	(170)	(172)
Total investments and other assets	15,674	16,016
Total non-current assets	73,196	74,215
Total assets	113,726	115,729

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	1,667	1,994
Electronically recorded obligations - operating	3,293	3,584
Short-term borrowings	5,636	9,640
Income taxes payable	2,676	237
Provision for bonuses	1,434	833
Other	8,776	9,977
Total current liabilities	23,483	26,267
Non-current liabilities		
Bonds with share acquisition rights	10,011	10,010
Long-term borrowings	10,683	10,013
Retirement benefit liability	318	310
Asset retirement obligations	1,071	1,079
Other	3,233	3,542
Total non-current liabilities	25,318	24,957
Total liabilities	48,802	51,225
Net assets		
Shareholders’ equity		
Share capital	5,500	5,500
Capital surplus	5,728	5,728
Retained earnings	52,460	51,482
Treasury shares	(3,694)	(3,656)
Total shareholders’ equity	59,994	59,054
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	4,440	4,824
Foreign currency translation adjustment	(212)	(66)
Remeasurements of defined benefit plans	702	692
Total accumulated other comprehensive income	4,929	5,450
Total net assets	64,924	64,504
Total liabilities and net assets	113,726	115,729

(2) Consolidated statements of income and consolidated statements of comprehensive income

Consolidated statements of income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	18,524	19,343
Cost of sales	14,156	14,697
Gross profit	4,368	4,645
Selling, general and administrative expenses	4,191	4,227
Operating profit	176	418
Non-operating income		
Dividend income	146	196
Rental income from land and buildings	38	38
Foreign exchange gains	—	106
Other	41	63
Total non-operating income	226	405
Non-operating expenses		
Interest expenses	31	41
Foreign exchange losses	207	—
Other	16	4
Total non-operating expenses	255	45
Ordinary profit	147	777
Extraordinary income		
Gain on sale of non-current assets	1	2
Insurance claim income	1,896	—
Total extraordinary income	1,898	2
Extraordinary losses		
Loss on retirement of non-current assets	0	0
Loss by fire	56	—
Total extraordinary losses	56	0
Profit before income taxes	1,989	780
Income taxes - current	306	132
Income taxes - deferred	324	195
Total income taxes	630	327
Profit	1,358	452
Profit attributable to owners of parent	1,358	452

Consolidated statements of comprehensive income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Profit	1,358	452
Other comprehensive income		
Valuation difference on available-for-sale securities	327	384
Foreign currency translation adjustment	426	146
Remeasurements of defined benefit plans, net of tax	(4)	(10)
Total other comprehensive income	750	520
Comprehensive income	2,108	973
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	2,108	973
Comprehensive income attributable to non-controlling interests	–	–

(3) Notes to consolidated financial statements

Segment information, etc.

Segment information

I Three months ended June 30, 2025 (April 1, 2025–June 30, 2025)

1. Information on net sales, profits or losses for each reportable segment

(Millions of yen)

	Reportable segments				Total	Adjustments (Note 1)	Amount recorded on consolidated statements of income (Note 2)
	Mushroom business in Japan	Mushroom business outside Japan	Processed products business	Chemical products business			
Net sales							
(1) Net sales from external customers	11,790	1,822	1,674	3,237	18,524	—	18,524
(2) Intersegment sales and transfers	27	—	—	304	331	(331)	—
Total	11,818	1,822	1,674	3,542	18,856	(331)	18,524
Segment profit	456	231	16	107	812	(635)	176

Notes: 1. Adjustments for segment profit of ¥(635) million are Group-wide expenses of ¥(640) million not allocated to an individual reporting segment and elimination of internal transactions of ¥5 million. Group-wide expenses are mainly selling, general and administrative expenses that do not belong to any reportable segment.

2. Segment profit is adjusted with operating profit on the quarterly consolidated statements of income.

II Three months ended June 30, 2026 (April 1, 2026–June 30, 2026)

1. Information on net sales, profits or losses for each reportable segment

(Millions of yen)

	Reportable segments				Total	Adjustments (Note 1)	Amount recorded on consolidated statements of income (Note 2)
	Mushroom business in Japan	Mushroom business outside Japan	Processed products business	Chemical products business			
Net sales							
(1) Net sales from external customers	12,095	1,820	1,779	3,647	19,343	—	19,343
(2) Intersegment sales and transfers	43	—	—	474	517	(517)	—
Total	12,138	1,820	1,779	4,121	19,861	(517)	19,343
Segment profit	673	82	39	188	984	(566)	418

Notes: 1. Adjustments for segment profit of ¥(566) million are Group-wide expenses of ¥(557) million not allocated to an individual reporting segment and elimination of internal transactions of ¥(8) million. Group-wide expenses are mainly selling, general and administrative expenses that do not belong to any reportable segment.

2. Segment profit is adjusted with operating profit on the quarterly consolidated statements of income.

Notes on significant changes in the amount of shareholders' equity

Not applicable.

Notes on assumptions for going concern

Not applicable.

Notes to consolidated statements of cash flows

Quarterly consolidated statements of cash flows for the three months ended June 30, 2026 are not prepared. Depreciation (including amortization related to intangible assets) for the three months ended June 30, 2026 is as follows.

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Depreciation	1,341	1,295