

HOKUTO Corporation

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

August 19, 2026

Tokyo Stock Exchange Prime Market: 1379



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

2. Outlook for the North American Business

3. Reference Material

1Q results showed an increase in the surplus. We made progress in building a foundation for the growth of the North American business

Domestic business

In Japan, sales and profits grew thanks to strong unit pricing for mushrooms

- Our marketing efforts paid off, driving strong unit prices for mushrooms and resulting in higher sales
- The impact of the situation in the Middle East was limited. Our cost-reduction measures progressed, leading to lower manufacturing costs

Overseas business

We steadily built a foundation for growth in our North American business

- Steady progress was made on our second factory plan in the United States
- The markets for our core products, bunashimeji, eryngii and maitake, continued to grow
- In these markets, we are strengthening our sales structure in line with the roadmap (detailed below) to achieve the targets of the Medium-Term Management Plan

Shareholder returns

- **We expect an interim dividend of ten yen for FY2027, unchanged from the previous forecast**

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



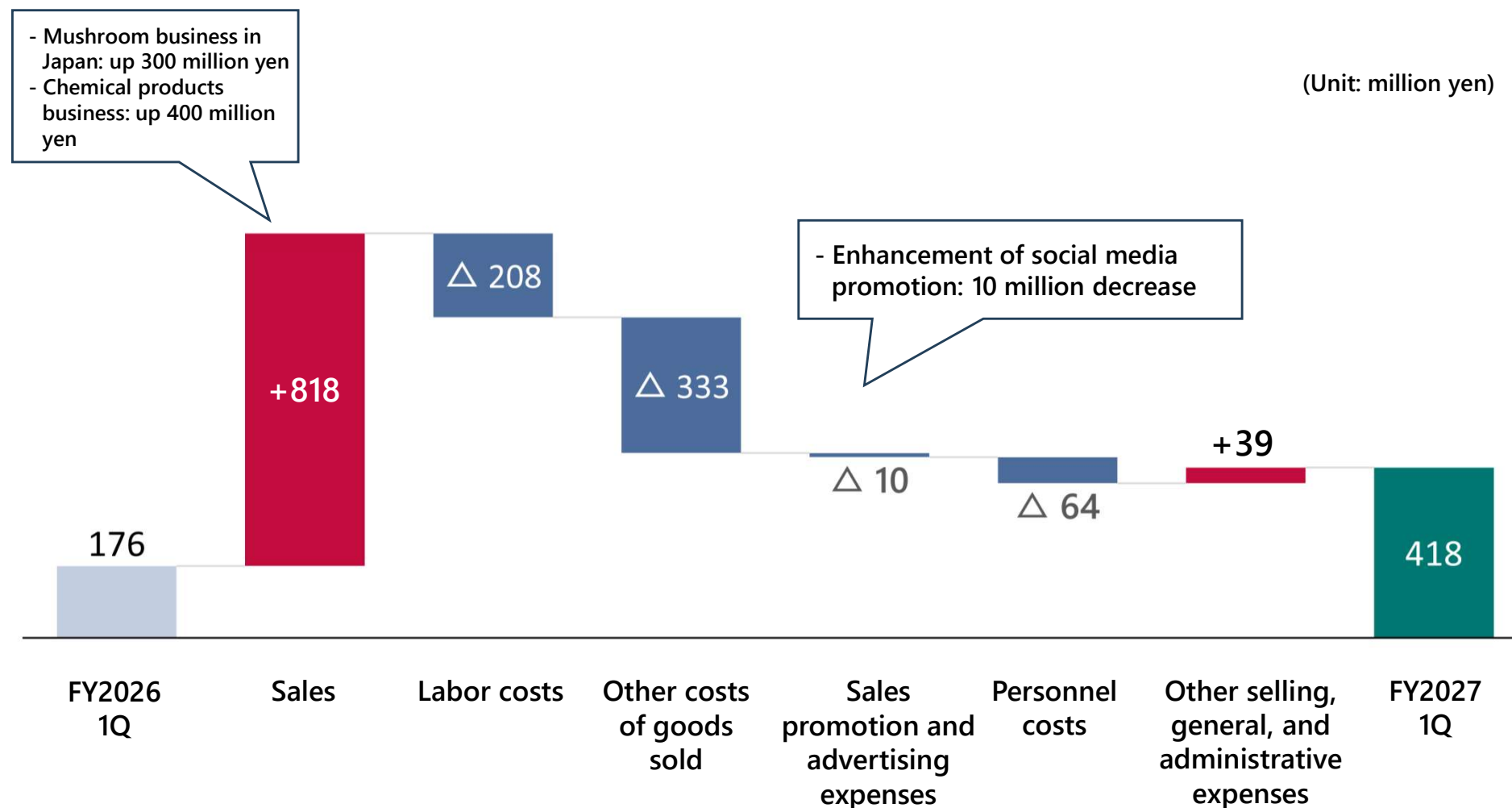
▶ **Our efforts to develop new customers and implement regional strategies, among other initiatives, paid off, resulting in favorable mushroom prices in Japan, with both sales and operating profit significantly exceeding those of the previous year.**

(Millions of yen)

	Fiscal Year Ended March 31, 2026	Fiscal Year Ending March 31, 2027	Change from the Previous Year	Percentage Change from the Previous Year
Sales	18,524	19,343	818	4.4%
Gross Profit	4,368	4,645	277	6.4%
Gross Profit Margin	23.6%	24.0%		
Selling, General, and Administrative Expenses	4,191	4,227	35	0.9%
Operating Profit	176	418	241	136.8%
Operating Profit Margin	1.0%	2.2%		
Ordinary Profit	147	777	629	426.1%
Ordinary Profit Margin	0.8%	4.0%		
Net Profit	1,358	452	△905	△66.7%
Net Profit Margin	7.3%	2.3%		
Earnings per Share	43.43 yen	14.44 yen		

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

Despite the impact of the situation in the Middle East, we offset its effects by, among other measures, maintaining favorable mushroom prices in Japan and securing profitability through price revisions in the chemical products business. As a result, operating profit increased by 200 million yen year on year.



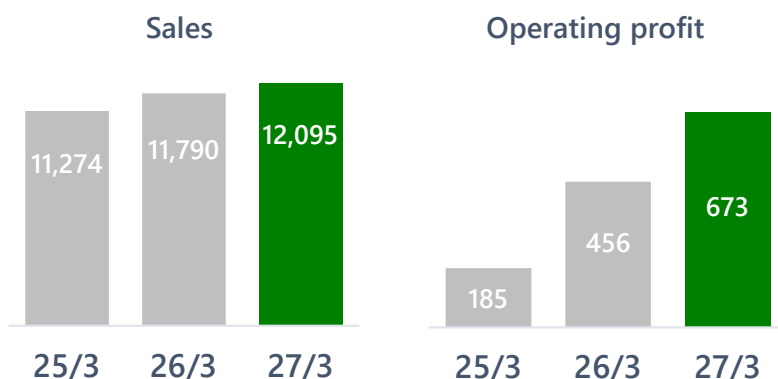
Segment Summary for the First Quarter of the Fiscal Year Ending March 31, 2027 (Year-on-year Comparison)



(Unit: million yen)

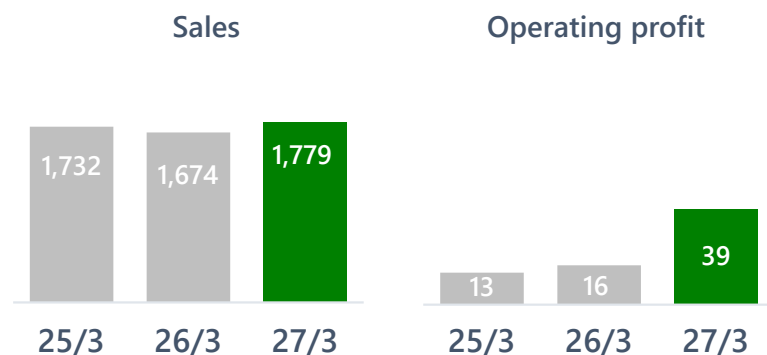
Mushroom business in Japan

✓ Our efforts to execute sales strategies and carry out marketing activities paid off, resulting in favorable mushroom prices and **higher sales and operating profit**



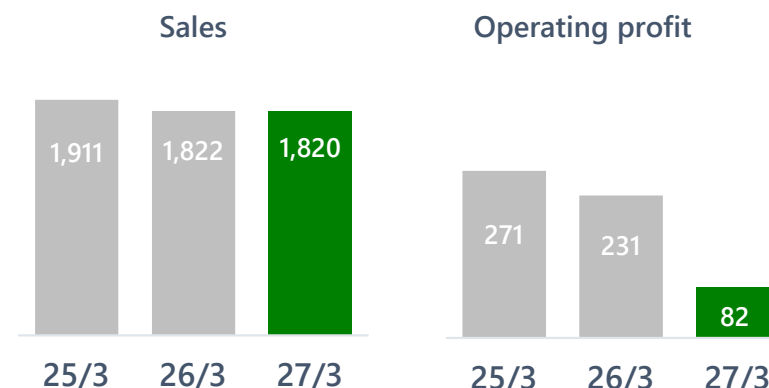
Processed products business

✓ Mainly at Arden, we had difficulty winning orders from major customers through May, but orders recovered significantly in June, resulting in **higher sales and operating profit**



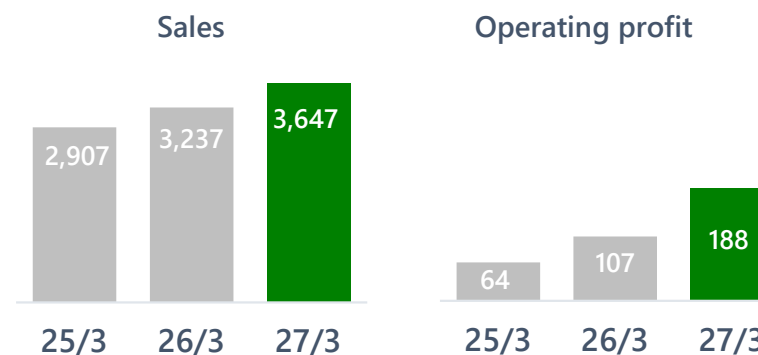
Mushroom business outside Japan

✓ **Sales and operating profit decreased** due to weak results in bidding by major customers in the United States, as well as weak performance in Malaysia



Chemical products business

✓ Despite the impact of the situation in the Middle East, we focused on ensuring a stable supply and implementing price revisions to secure profitability, resulting in **higher sales and operating profit**

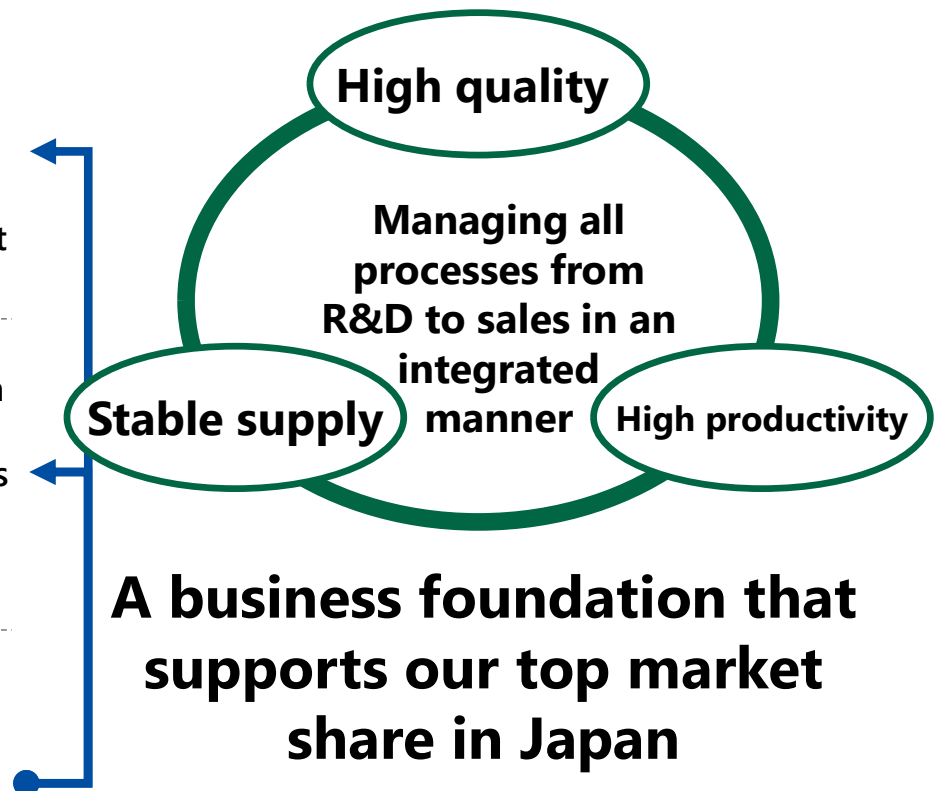


Starting with research and development, we manage cultivation materials, a nationwide production network, and a direct sales network in an integrated manner, thereby achieving high quality, a stable supply, and high productivity

Drivers of competitive advantage



In-house production of cultivation materials and development of processing capabilities

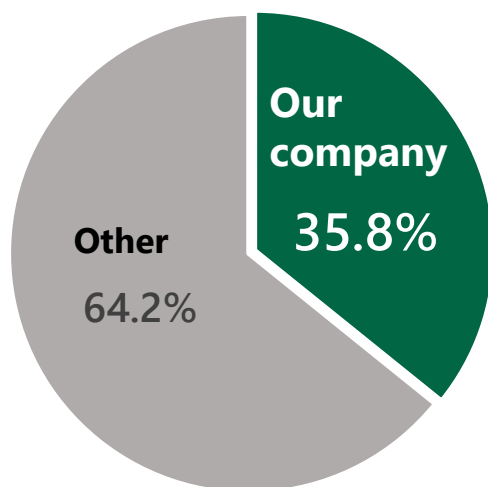


Our Market Share in Japan (Fiscal Year Ended March 31, 2025)



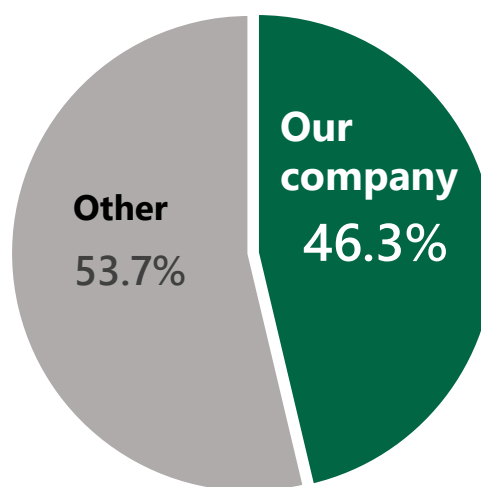
We hold an overwhelming share in three of our core product categories, maintaining a strong market leadership position

Bunashimeji



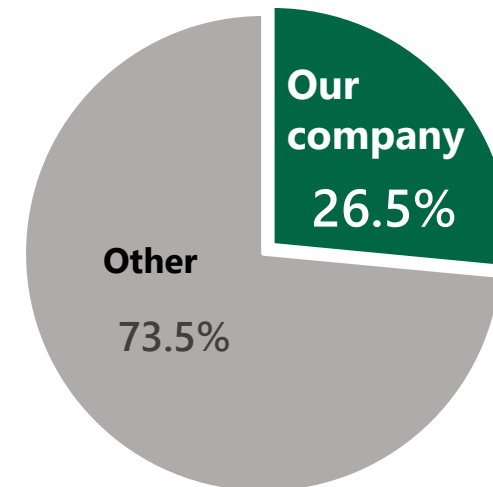
Total production
volume in Japan
117,536 t

Eryngii



Total production
volume in Japan
34,639 t

Maitake

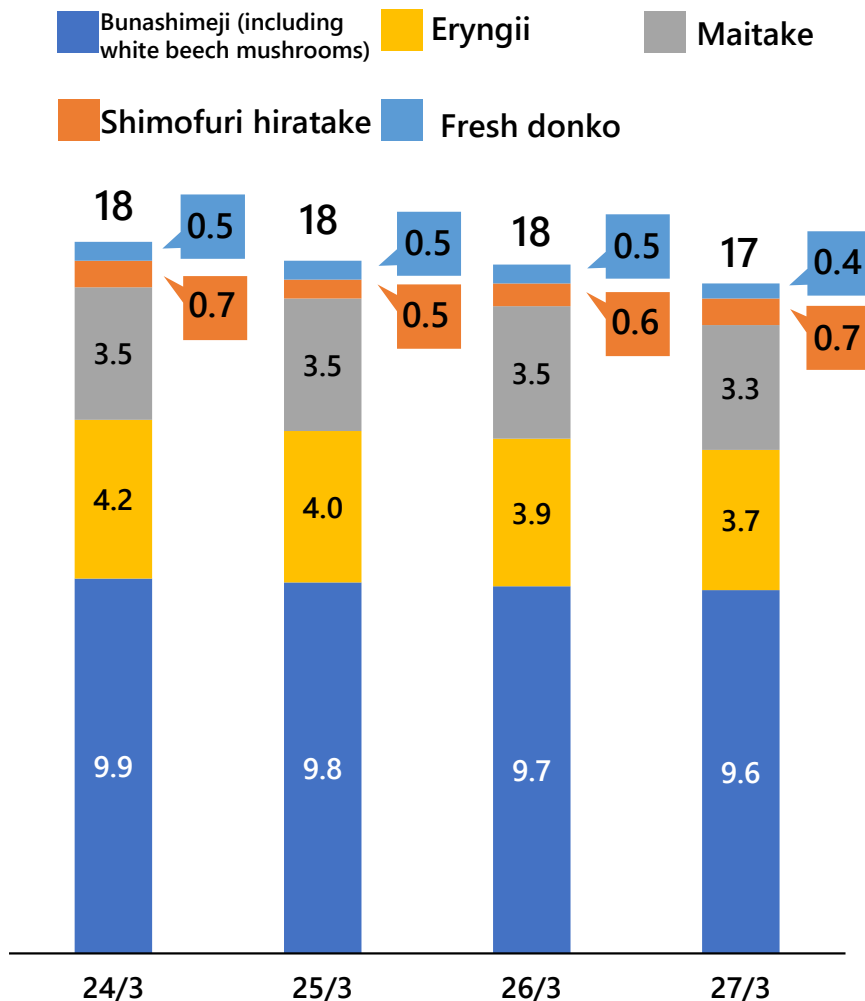


Total production
volume in Japan
56,609 t

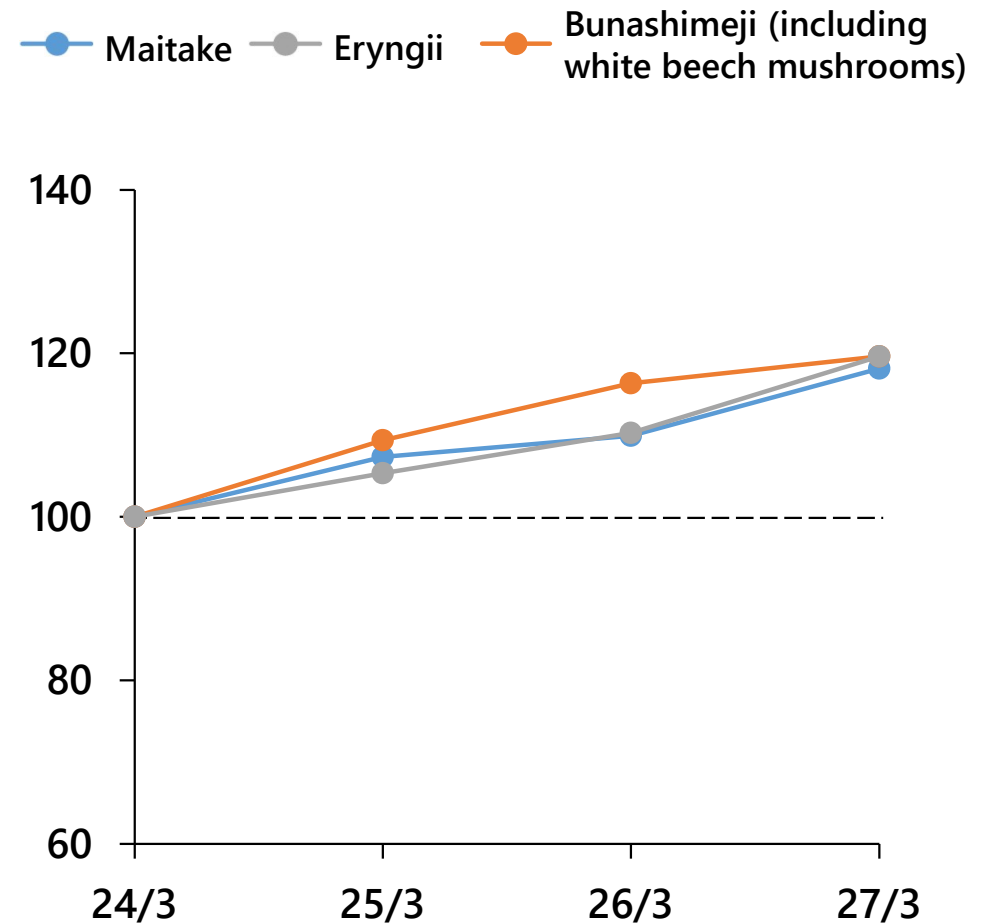
First Quarter of the Fiscal Year Ending March 31, 2027: Trends in Domestic Mushroom Production Volume and Unit Prices by Type

Achieving stable increases in unit prices while maintaining production volume through production adjustments based on demand forecasts and the promotion of regional strategies

Production Volume Trends (1,000 tons)



Unit Price Trends for Major Items (Index)



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



Sales and operating profit decreased due to reduced sales to major customers in the United States, as well as weak performance in Malaysia

		Fiscal Year Ended March 31, 2026	Fiscal Year Ending March 31, 2027	Change from the Previous Year	Percentage Change from the Previous Year
United States	Sales	7.08million USD	6.07million USD	△1.00million USD	△14.2%
	Operating Profit	0.89million USD	△0.25million USD	△1.14million USD	—
	Foreign Exchange	144.81	162.39		
Taiwan	Sales	NT\$134million	NT\$135million	NT\$1million	0.8%
	Operating Profit	NT\$18million	NT\$18million	NT\$0million	△0.3%
	Foreign Exchange	4.96	5.10		
Malaysia	Sales	RM3.49million	RM3.36million	△RM0.13million	△3.8%
	Operating Profit	△RM0.69million	△RM0.85million	△RM0.16million	—
	Foreign Exchange	34.26	40.09		

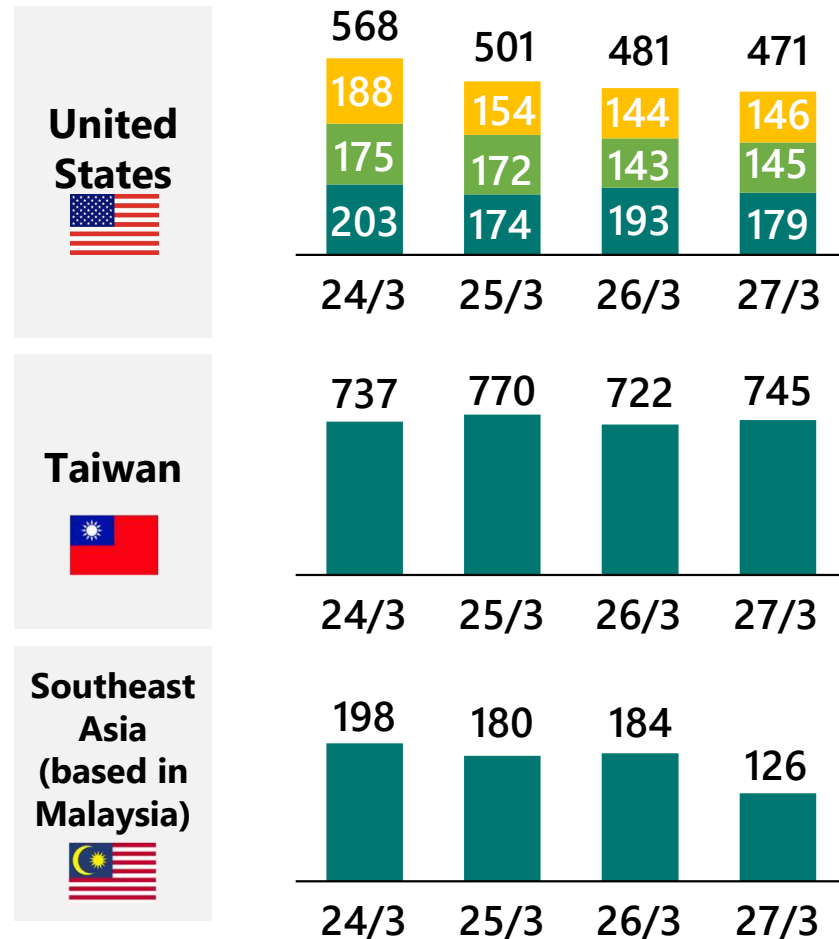
First Quarter of the Fiscal Year Ending March 31, 2027:Trends in Overseas Mushroom Production Volume and Unit Prices by Type and Country

While maintaining sales volume, unit prices in the United States trended downward in 1Q due to weak results in bidding.

In Southeast Asia, we are implementing measures to increase sales volume while maintaining unit prices

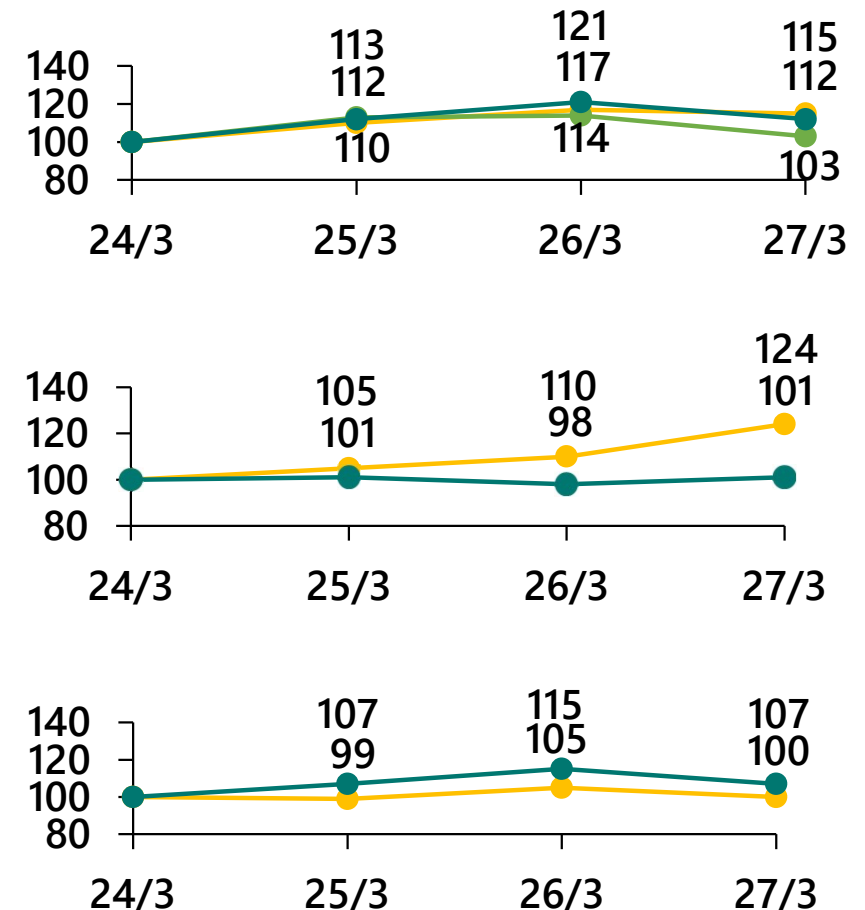
Production Volume Trends (Unit: t)

■ Maitake
 ■ Eryngii
 ■ Bunashimeji (including white beech mushrooms)



Unit Price Trends (Index)

● Maitake¹
● Eryngii
 ● Bunashimeji (including white beech mushrooms)



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

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



(Millions of yen)

	Initial Plan	Fiscal Year Ending March 31, 2027	Deviation from Plan	Percentage Change from Plan
Sales	19,141	19,343	202	1.1%
Gross Profit	4,475	4,645	170	3.8%
Gross Profit Margin	23.4%	24.0%		
Selling, General, and Administrative Expenses	4,506	4,227	△278	△6.2%
Operating Profit	△31	418	449	—
Operating Profit Margin	△0.2%	2.2%		
Ordinary Profit	146	777	631	432.7%
Ordinary Profit Margin	0.8%	4.0%		

Both sales and operating profit exceeded the plan due to favorable mushroom unit prices in Japan and our successful efforts to reduce selling, general and administrative expenses, although manufacturing costs were slightly impacted by the situation in the Middle East

First Quarter of the Fiscal Year Ending March 31, 2027:

▶▶ Segment Overview (vs. Plan)



(Millions of yen)

		Initial Plan	Fiscal Year Ending March 31, 2027	Deviation from Plan	Percentage Change from Plan
Mushroom business in Japan	Sales	11,948	12,095	146	1.2%
	Operating Profit	250	673	422	168.9%
Mushroom business outside Japan	Sales	2,069	1,820	△248	△12.0%
	Operating Profit	209	82	△126	△60.4%
Processed products business	Sales	1,803	1,779	△24	△1.4%
	Operating Profit	4	39	35	863.9%
Chemical products business	Sales	3,319	3,647	328	9.9%
	Operating Profit	122	188	66	54.4%

First Quarter of the Fiscal Year Ending March 31, 2027:

►► Mushroom Business Outside Japan (vs. Plan)



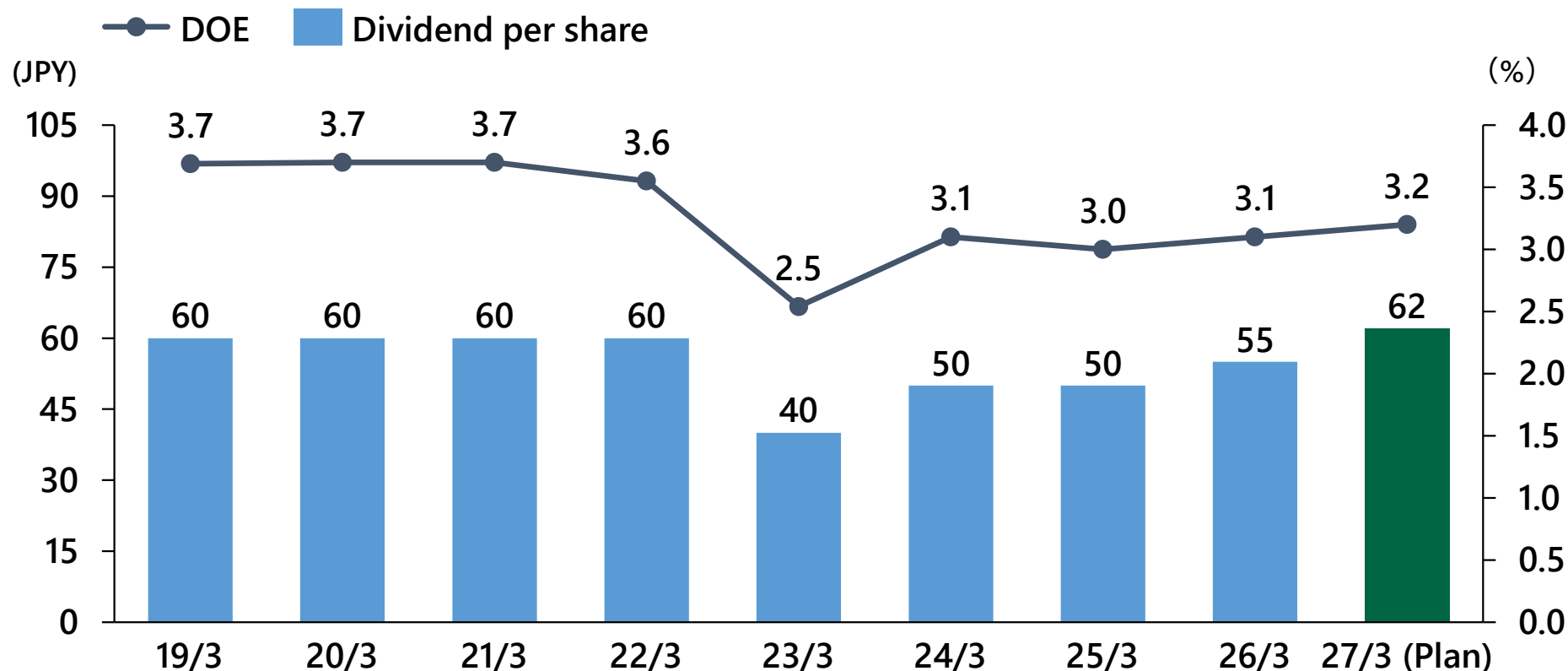
		Initial Plan	Fiscal Year Ending March 31, 2027	Deviation from Plan	Percentage Change from Plan
United States	Sales	7.20 million USD	6.07 million USD	△1.12 million USD	△15.6%
	Operating Profit	0.36 million USD	△0.25 million USD	△0.62 million USD	—
	Foreign Exchange	156.60	162.39		
Taiwan	Sales	NT\$160 million	NT\$135 million	△NT\$25 million	△15.7%
	Operating Profit	NT\$32 million	NT\$18 million	△NT\$14 million	△44.2%
	Foreign Exchange	4.90	5.10		
Malaysia	Sales	RM3.60 million	RM3.36 million	△RM0.23 million	△6.6%
	Operating Profit	△RM1.17 million	△RM0.85 million	RM0.31 million	—
	Foreign Exchange	39.70	40.09		

Shareholder Returns

For FY2027, we plan to pay an annual dividend of 62 yen, an increase of seven yen from FY2026, in accordance with the following shareholder return policy. An interim dividend of ten yen is expected.

Shareholder Return Policy

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



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

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▶▶ Target Customers in the U.S. Market

Until now, growth in the mushroom-consuming population has been driven by an increase in the high-end Asian American segment. We will focus on this segment while expanding our reach to the mass-market segment

	Definition of each segment			Changes in the mushroom-consuming population		Factors behind the increase in the proportion of mushroom consumers	
	Residential area	Household income	Consumption per person	Total population 	Proportion of consumers	Supply side	Demand side
	—	—	High (Twice a month or more)			Increase in distribution volume to high-end, mass-market, and Asian supermarkets in each region	— (A culture of mushroom consumption already exists)
	Major city	\$150,000~	High (Twice a month or more)			Increase in distribution volume to high-end supermarkets in major cities outside the Western and Northeastern regions	Social media posts by other high-end consumers stimulates demand
	Major city	\$50,000~ \$150,000	Low (Once or twice a month)			Increase in distribution volume to mass-market supermarkets in major cities and high-end supermarkets in suburban and regional areas	Recommendations on TV shows and from friends stimulate demand
	Suburban and regional areas	~\$150,000	Low (Once or twice a month)			—	—

▶▶ Market Opportunity in the United States

Despite strong consumer demand for mushrooms, purchasing opportunities are often limited due to their low availability at points of sale.

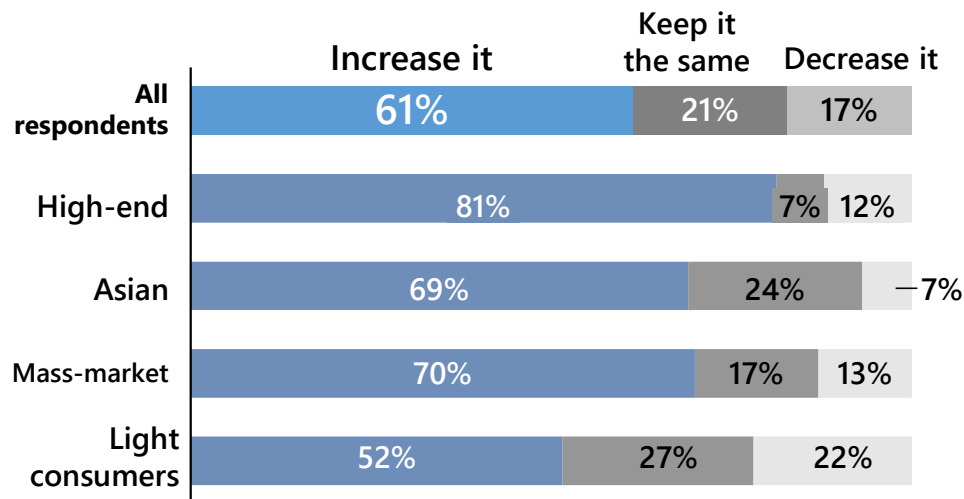
We aim to capture this market opportunity by expanding distribution through strengthened sales activities and by commencing operations at our second factory

Demand (i.e., consumer intentions)

Do you wish to increase your consumption of items such as bunashimeji in the future?



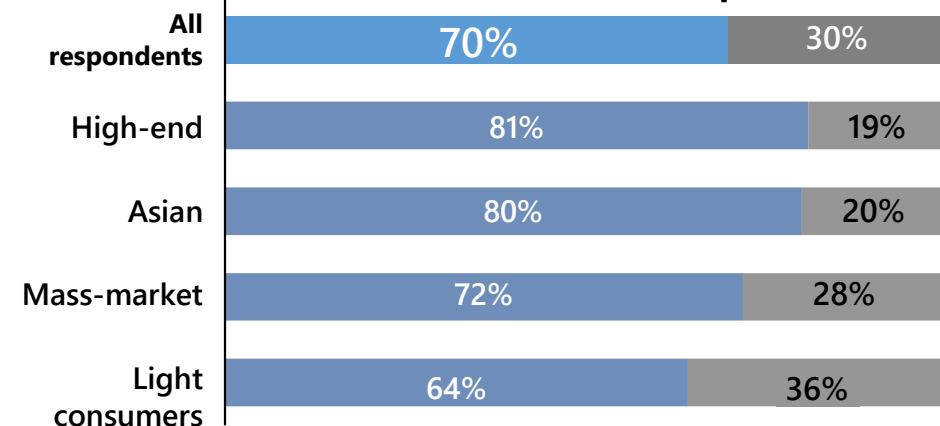
If so, are there any anticipated constraints to doing so?



*Definition of each segment

- Non-Asian
- **High-end:** high-income earners in major cities
- **Mass-market:** middle-income earners in major cities or high-income earners in suburban or regional areas
- **Light consumers:** Other than the above
- Asian

Selected “Not available at supermarkets”

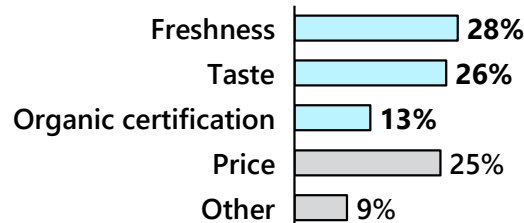


Reaching consumers by strengthening sales operations and expanding product distribution

►► Our Company's Reputation in the U.S. Market

In the U.S. market, our mushrooms are recognized for their quality, and sales are expanding, particularly through high-priced retailers

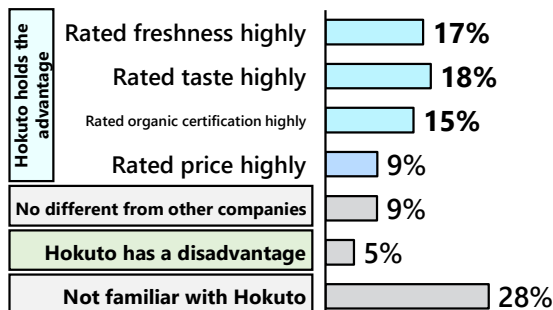
Factors most valued when purchasing



Quality
valued most:
67%

Consumers **place the highest priority on quality** when purchasing

Evaluation of our mushrooms



Rated our quality
highly: **50%**

Our mushrooms are **highly valued by consumers for their quality**

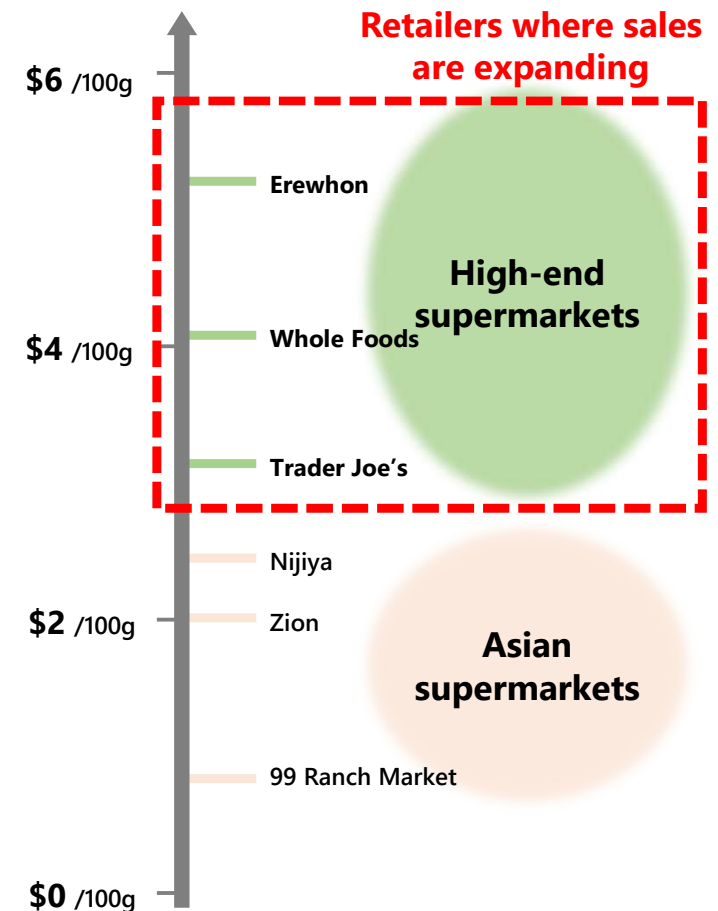


Procurement and sales representatives at major U.S. produce wholesalers

- Hokuto is **very well known among buyers for its high quality**
- Hokuto is also **highly rated** among health- and food-conscious consumers

Our mushrooms are **also highly valued by buyers for their quality**

Image of bunashimeji retail prices by supermarket



▶▶ Examples of Retail Chains Where Our Products Are Already Distributed in the United States



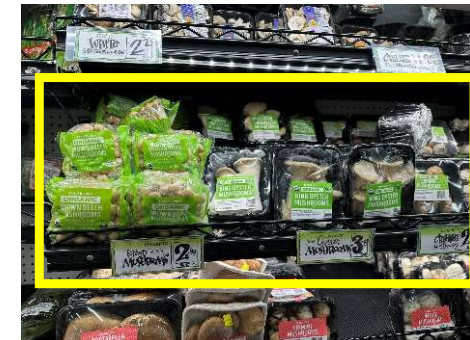
Sales are expanding, primarily through high-end supermarkets and Asian supermarket chains

Overview

Store and shelf photos (Hokuto products highlighted in the yellow box)

TRADER JOE'S

- A popular supermarket chain known for its wide selection of natural and organic foods
- Hokuto products are sold as private-brand (PB) items in 306 of its 608 stores across the United States



EREWHON

- A high-end supermarket based in Los Angeles, popular among high-income consumers
- It has 11 stores in California, all of which carry Hokuto products



H MART

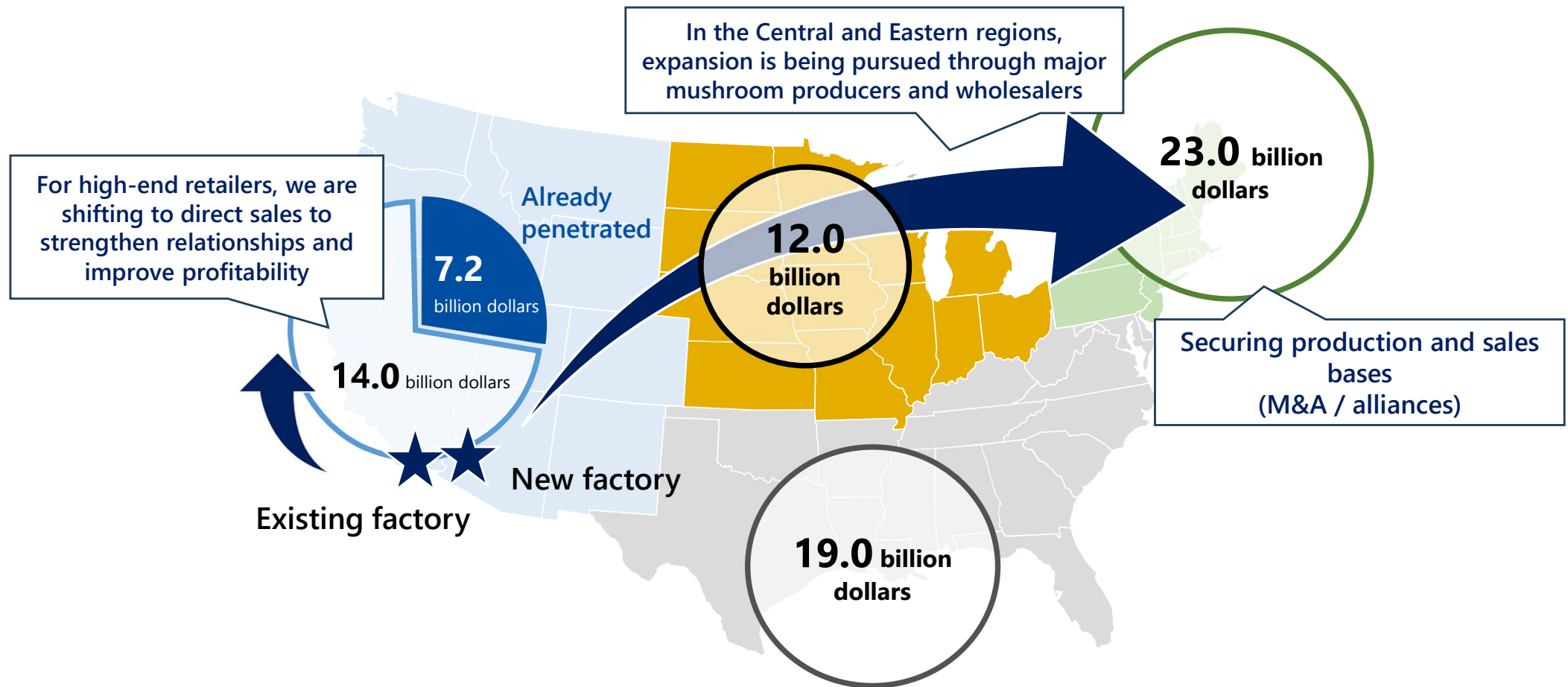
- A popular Asian supermarket chain operating across the United States, offering a wide range of Asian ingredients and fresh produce
- Hokuto products are sold in 70 of its 112 stores across the United States



▶▶ Outlook for Future Sales Expansion

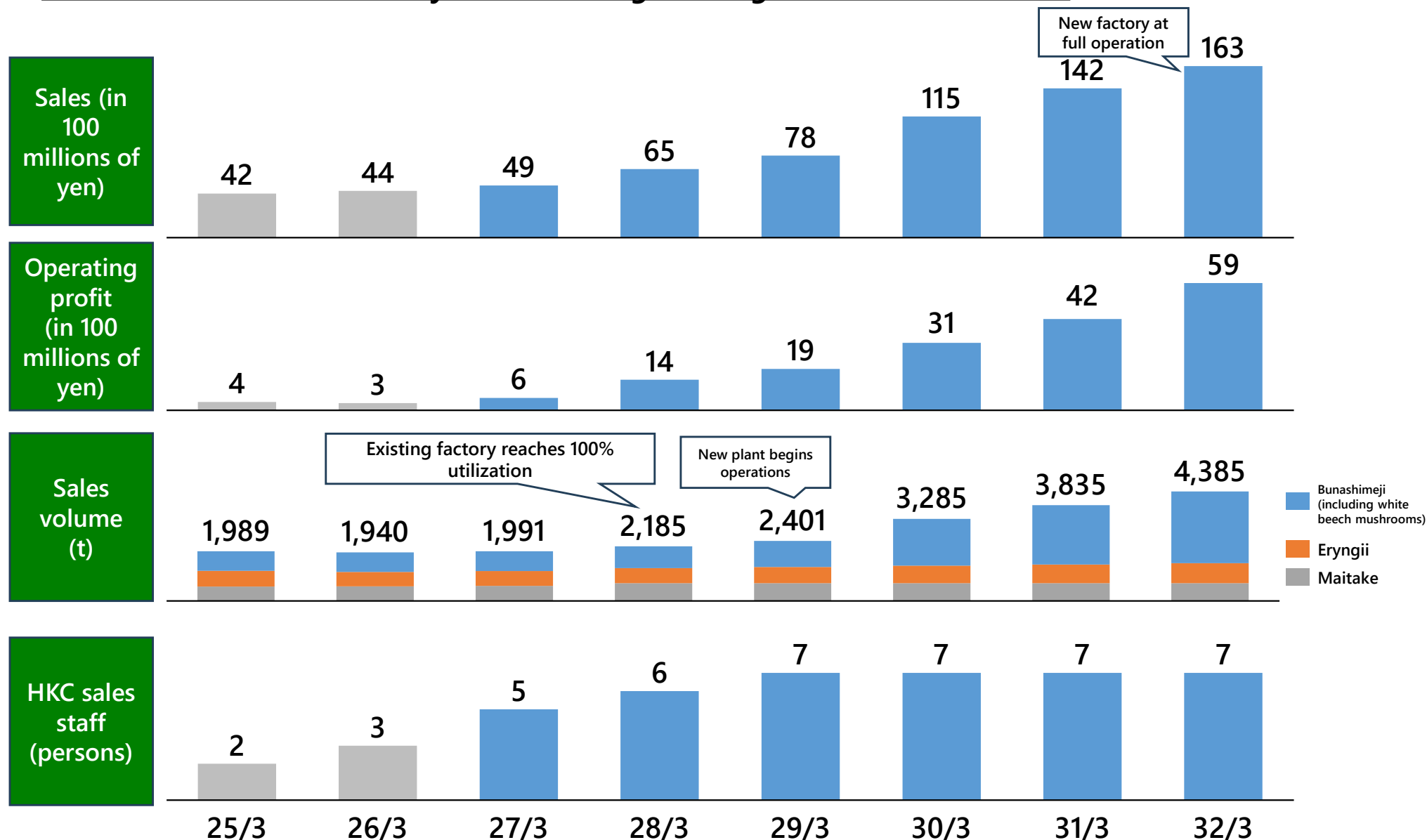
Of the approximately \$75 billion U.S. retail market centered on high-end stores, the market we have already penetrated accounts for less than 10%, indicating substantial room for further sales expansion in the U.S. market.

Sales of stores where our products are already available relative to the high-end supermarket market size by region



▶▶ Progress on the U.S. Business Expansion Plan

To achieve the Medium-Term Management Plan's targets of 15.4 billion yen in overseas sales and 2.7 billion yen in operating profit, we are proceeding with the construction of our second U.S. factory while strengthening our sales structure



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

2. Outlook for the North American Business

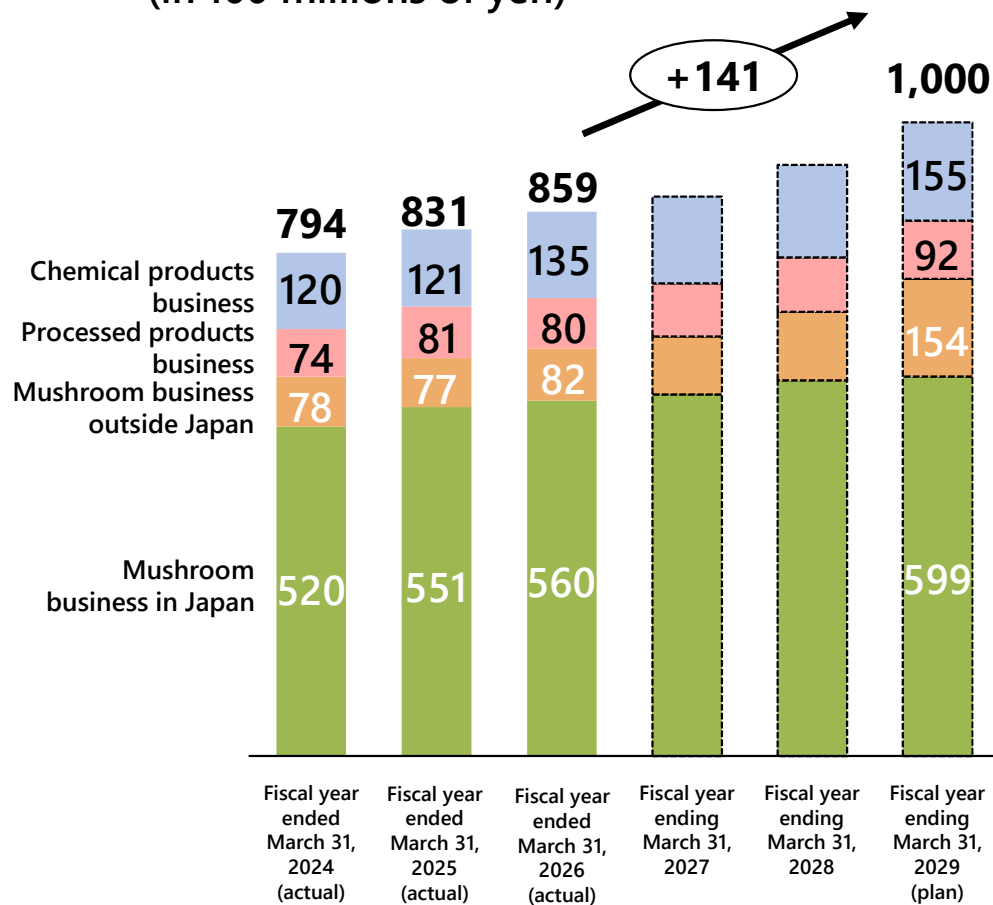
3. Reference Material

▶▶ 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

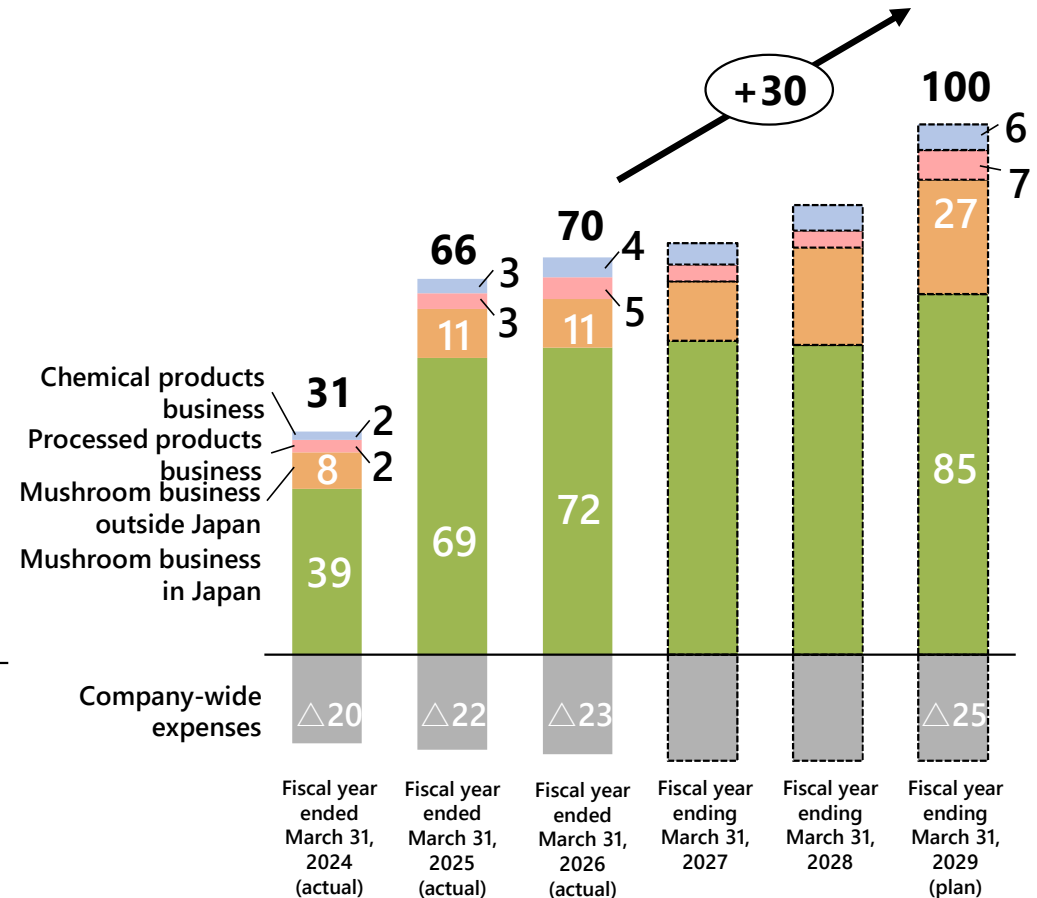
Net sales (consolidated)

(in 100 millions of yen)



Operating profit (consolidated)

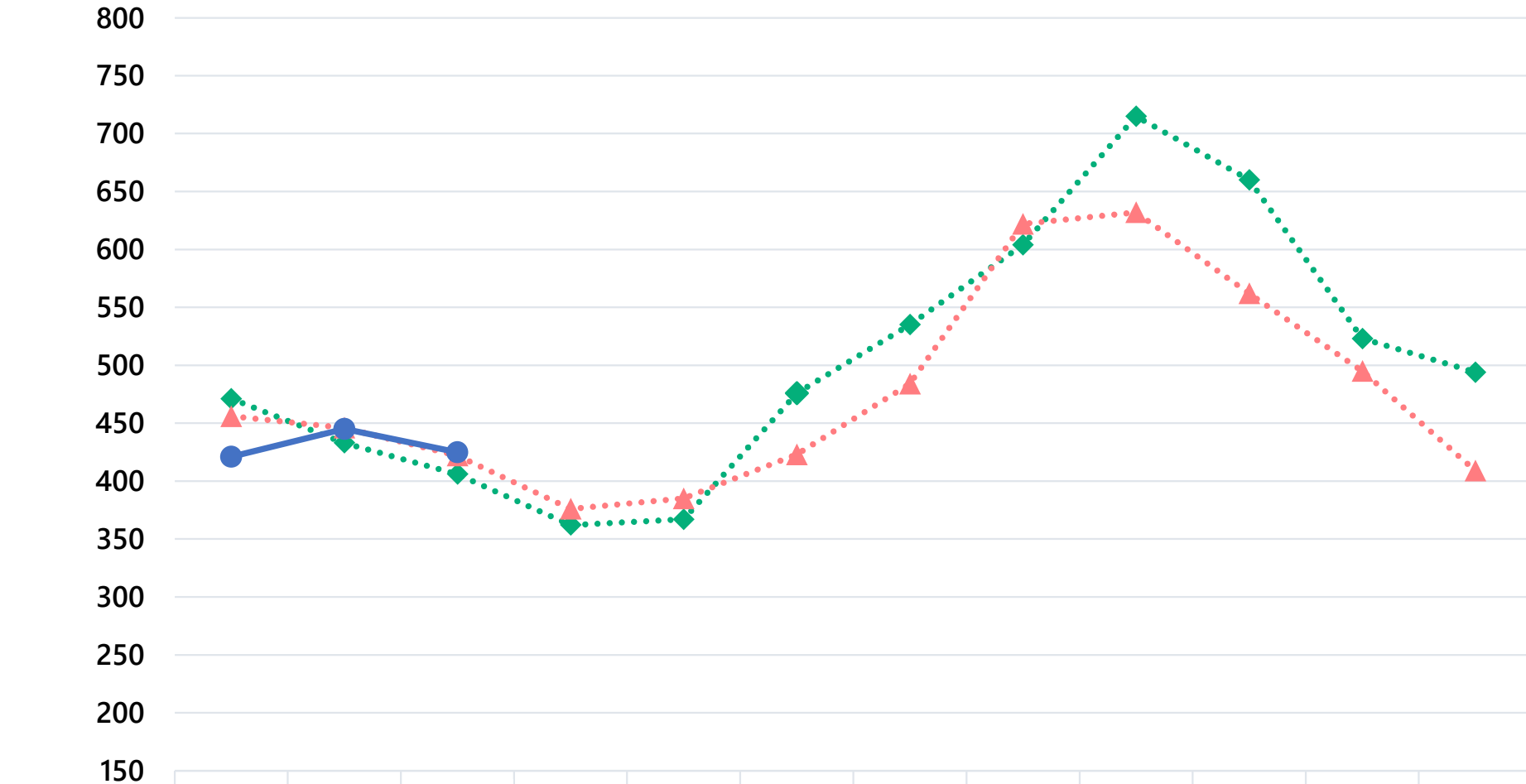
(in 100 millions of yen)



▶▶ (Reference) Bunashimeji: Market Price Trends

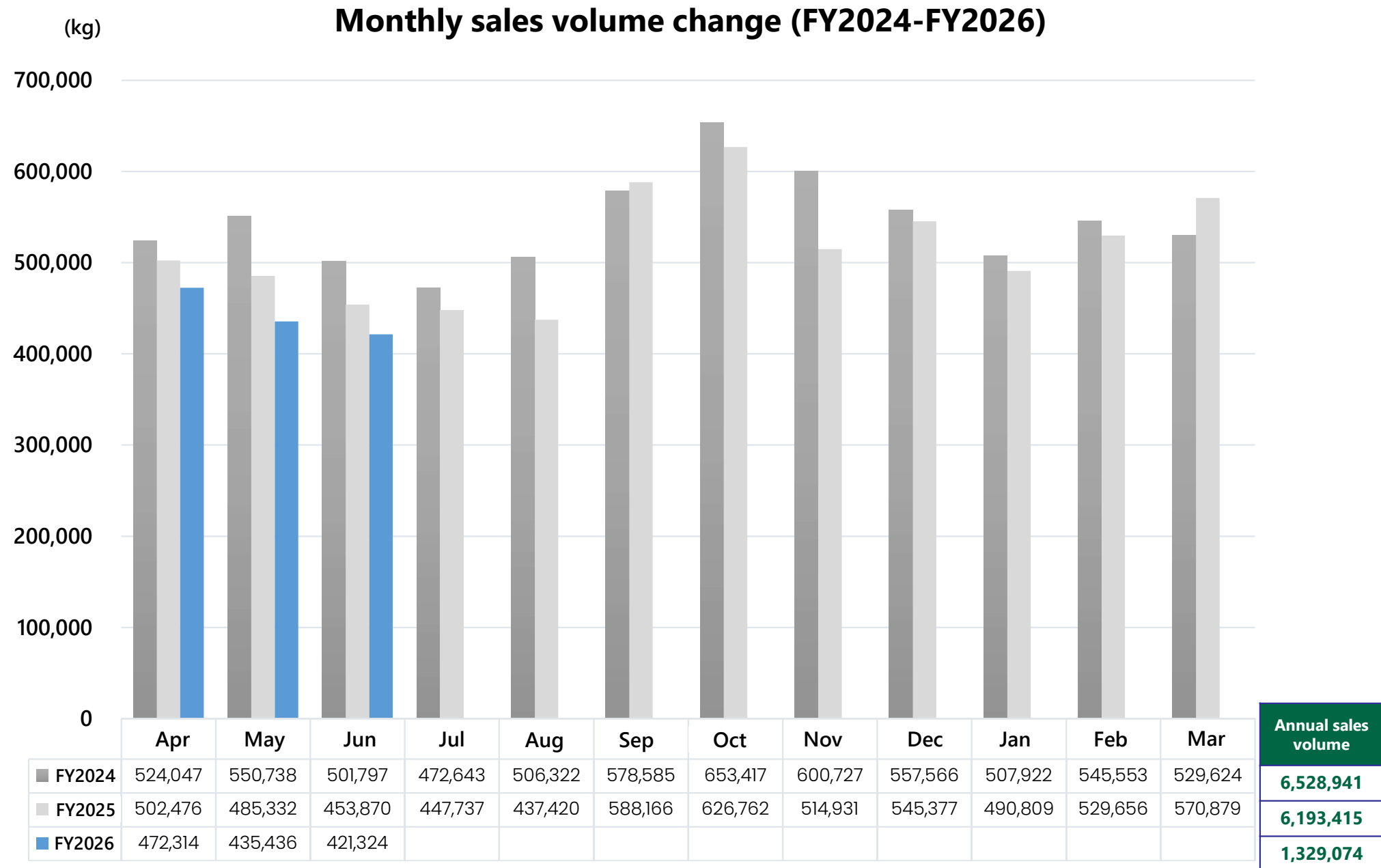
(Yen/kg)

Monthly price change (FY2024-FY2026)



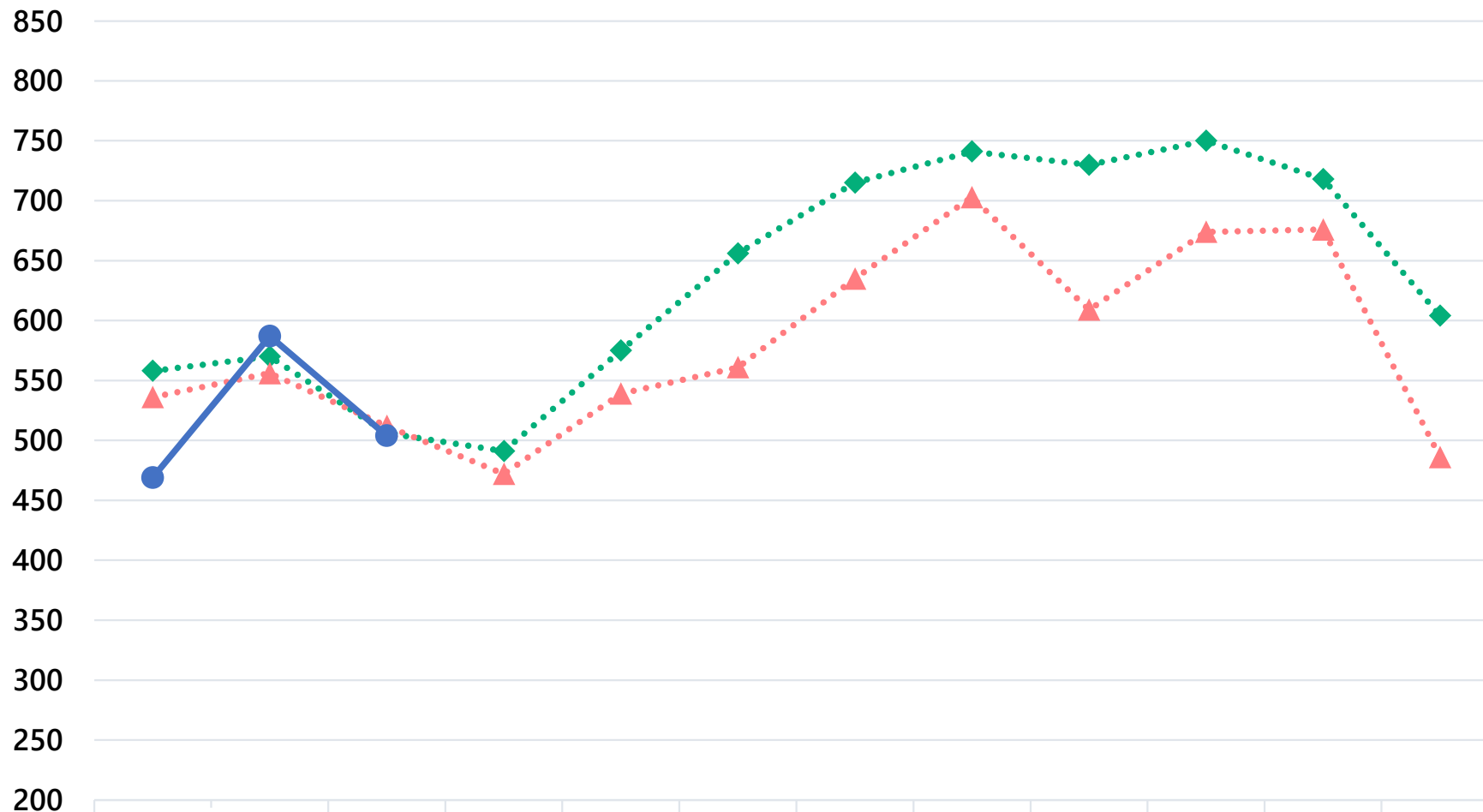
	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
●●● FY2024	471	433	406	362	367	476	535	604	715	660	523	494
●●● FY2025	456	446	422	376	385	423	484	622	632	562	495	409
●●● FY2026	421	445	425									

Average price
508
478
430



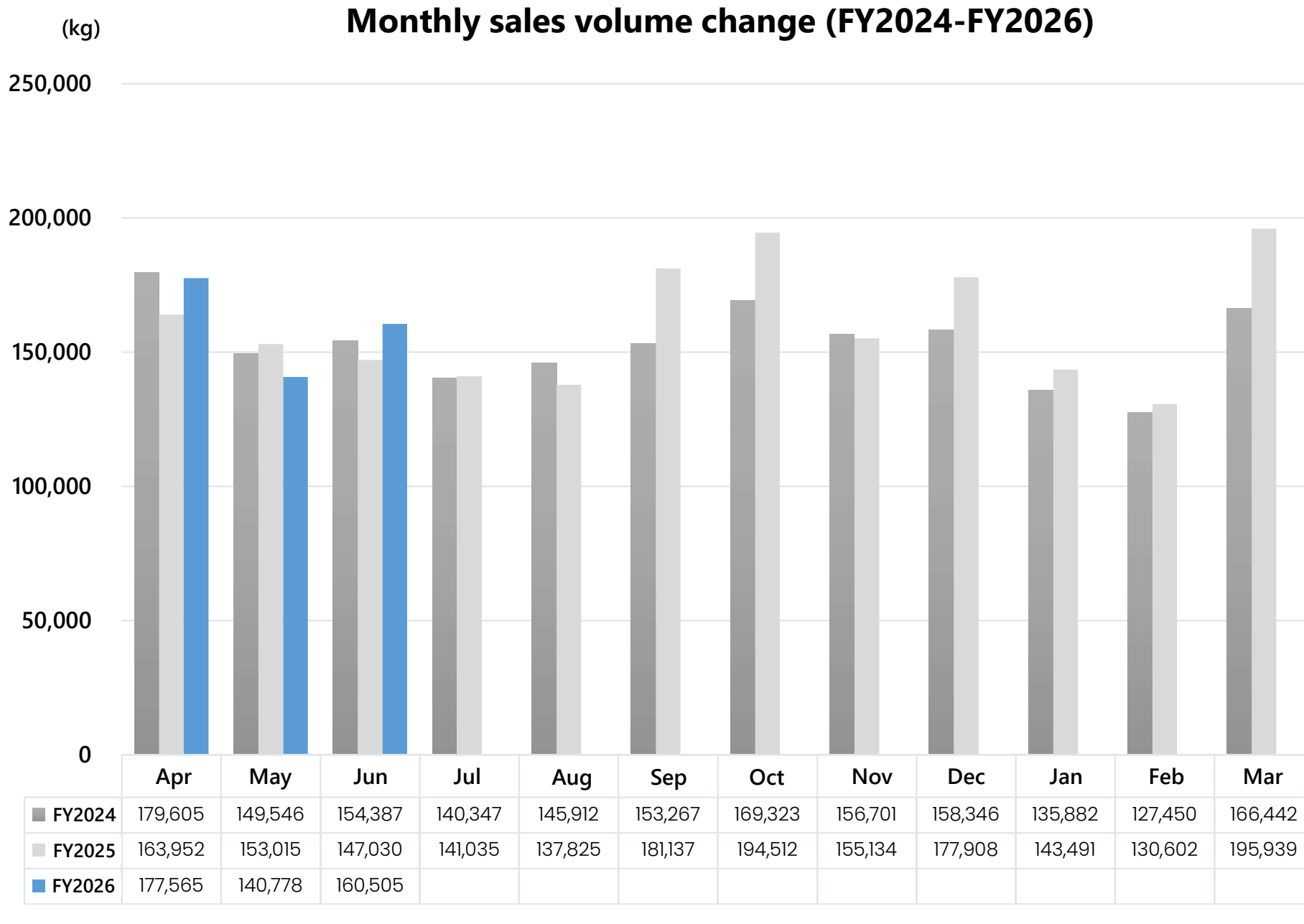
(Yen/kg)

Monthly price change (FY2024-FY2026)



	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										515

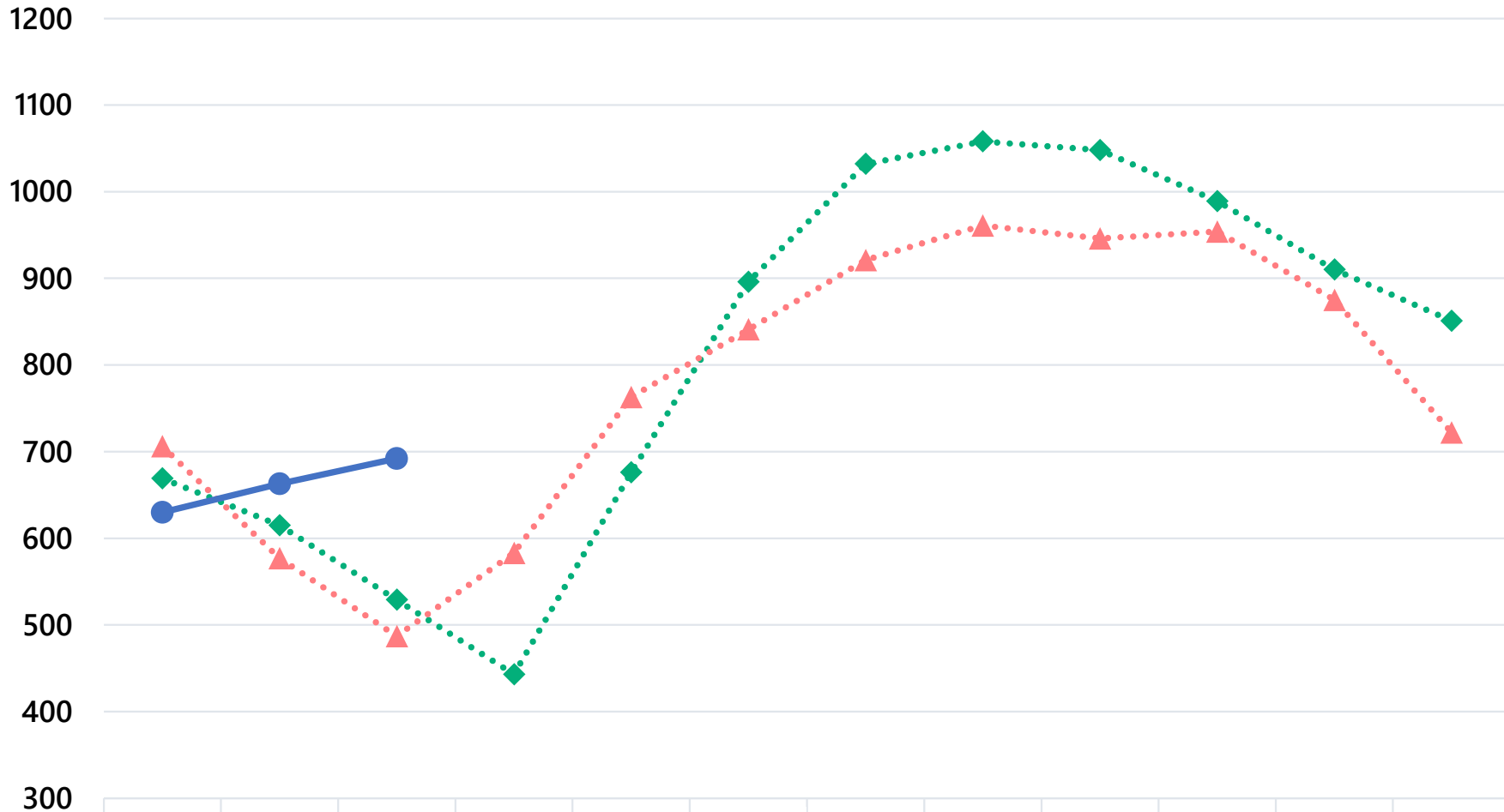
▶▶ (Reference) Eryngii: Market Sales Volume Trends



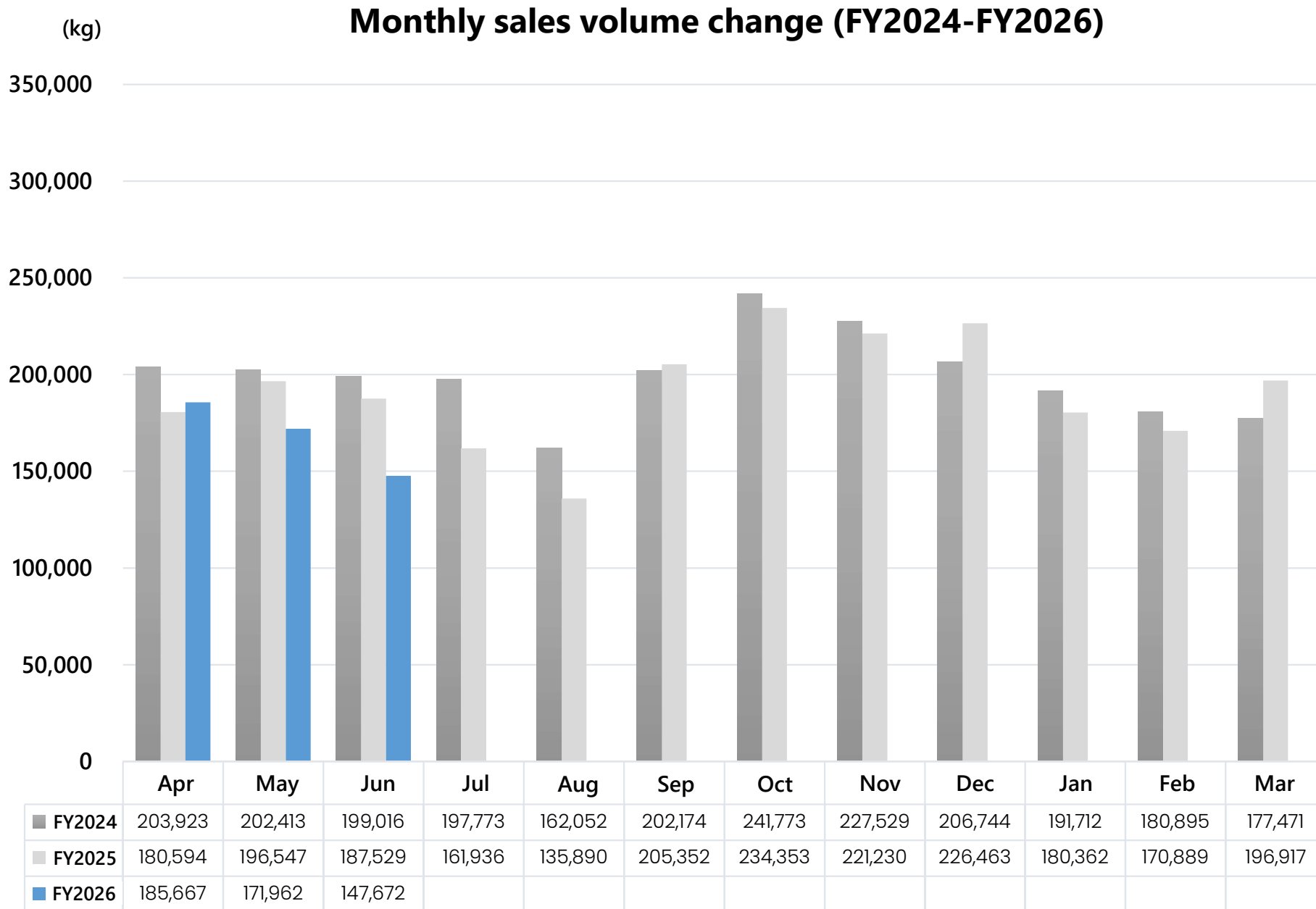
▶▶ (Reference) Maitake: Market Price Trends

(Yen/kg)

Monthly price change (FY2024-FY2026)



	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										659



	Year-on-year Comparison with Our Results	Comparison with Our Plan
Bunashimeji (including white beech mushrooms)	102.8%	101.8%
Eryngii	108.5%	102.8%
Maitake	107.5%	105.0%
Shimofuri hiratake	105.7%	103.9%

Marketing activities have paid off, resulting in strong unit prices for mushrooms

▶▶ **First Quarter of the Fiscal Year Ending March 31, 2027:
Mushroom Business in Japan (Comparison of Sales Volume)**

	Year-on-year Comparison with Our Results	Comparison with Our Plan
Bunashimeji (including white beech mushrooms)	99.4%	100.2%
Eryngii	93.9%	97.6%
Maitake	94.9%	100.3%
Shimofuri hiratake	110.7%	101.2%

Production volume is roughly in line with plan



HOKUTO Corporation

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

Market capitalization: 60,980 million yen (As of end of June 2026)
 Shareholders' equity: 59,994 million yen
 Number of employees: 4,086
 Main business: Mushroom production and distribution

(As of end of March 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

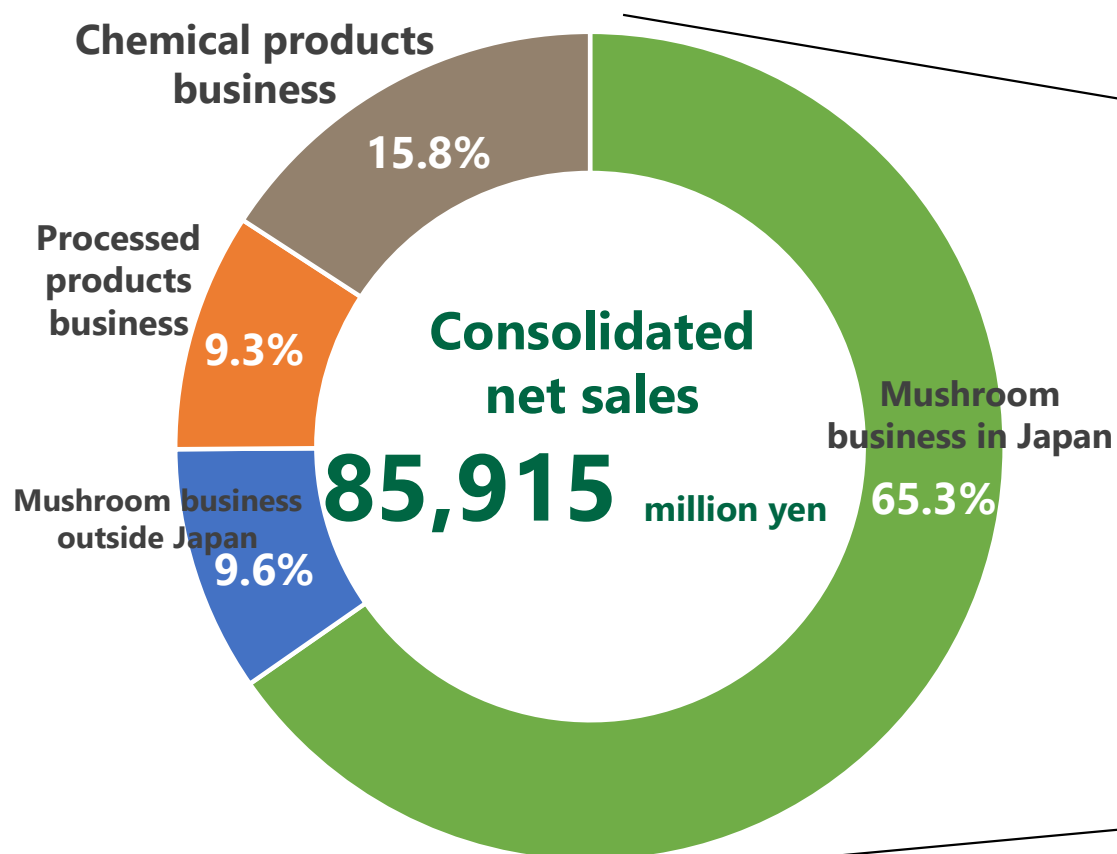


HOKTO MALAYSIA SDN.BHD.

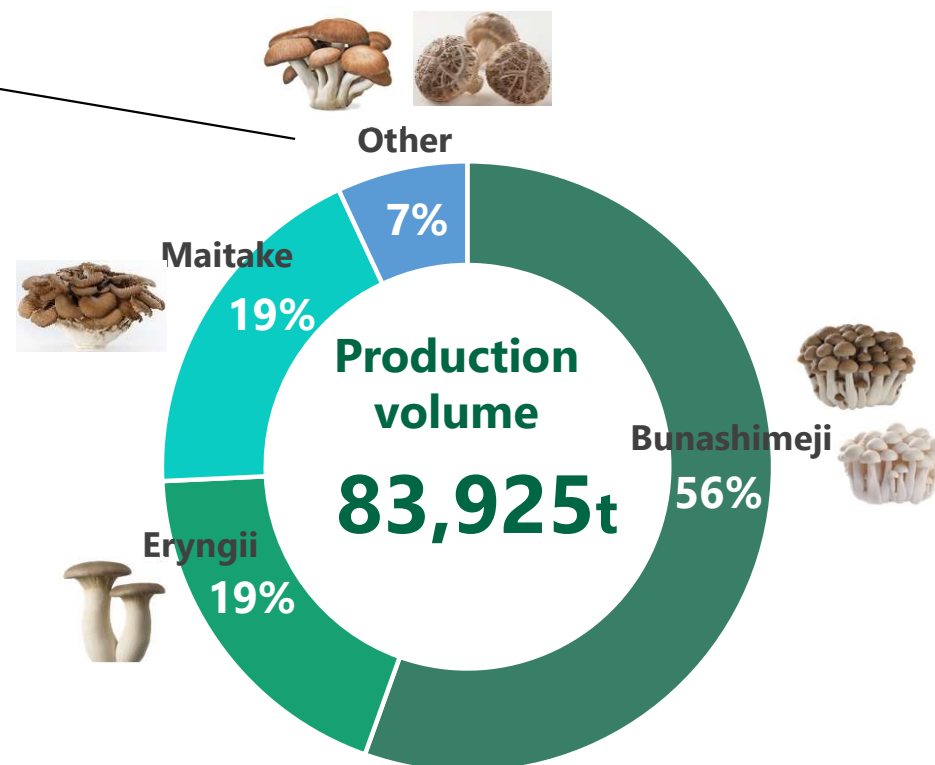
Mushroom production and
distribution in Southeast Asia

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

Mail : ir-k@hokto-kinoko.co.jp

HOKUTO Corporation

