

Supplementary Materials:
Financial Results for Three Months Ended
March 31, 2025



April 25, 2025

Kanro Inc.

(TSE: 2216)

Index

	Page
(Supplementary Materials 1) 【Summary of Financial Results】	- 1
(Supplementary Materials 2) 【Non-consolidated Statements of Income】	- 2
(Supplementary Materials 3) 【Financial Indicators FY2021—FY2025/Forecast】	- 3
(Supplementary Materials 4) 【Market Trends】	- 4

“Q1” refers to the period from January to March, “1H” refers to the period from January to June, and “2H” refers to the period from July to December in the materials.

(Supplementary Materials 1) 【Summary of Financial Results】

Quarterly

Unit: Million yen

	FY2024					FY2025					FY2024 Q1 vs. FY2025 Q1	
	Q 1	Q 2	Q 3	Q 4	Full year	Q 1	Q 2	Q 3	Q 4	Full year (Forecast)	YoY	YoY%
Net sales	7,613	7,949	7,116	9,098	31,778	8,205				33,600	592	7.8%
Hard candy	3,938	3,510	3,170	5,195	15,815	4,263				-	324	8.2%
Gummies *1	3,538	4,235	3,751	3,691	15,217	3,764				-	226	6.4%
Healthy snacks	135	195	192	207	730	173				-	38	28.3%
Other *2	0	7	2	4	14	3				-	3	408.1%
Cost of sales	4,355	4,666	4,267	5,303	18,592	4,674				-	319	7.3%
Cost of sales margin (%)	57.2	58.7	60.0	58.3	58.5	57.0				-	-	(0.2)pt
Gross profit	3,258	3,283	2,848	3,795	13,186	3,531				-	272	8.4%
Operating profit	1,212	1,130	804	1,136	4,284	1,397				4,320	184	15.2%
Operating profit margin (%)	15.9	14.2	11.3	12.5	13.5	17.0				12.9	-	1.1pt
Ordinary profit	1,217	1,138	814	1,145	4,315	1,407				4,340	189	15.6%
Profit	941	825	567	925	3,260	993				3,260	51	5.5%

*Quarterly results are simple differences.

*1 The data is included marshmallow products.

*2 "Other" refers to miscellaneous products other than foods.

1H/2H

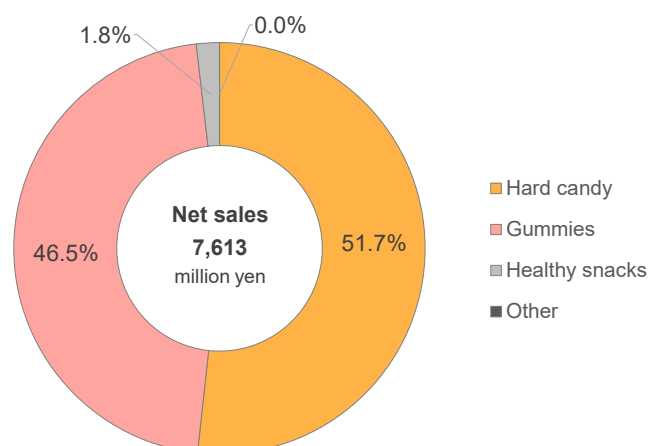
Unit: Million yen

	FY2024 (Actual)			FY2025 (Forecast)			FY2024 vs. FY2025	
	1H	2H	Full year	1H	2H	Full year	1H (YoY%)	2H (YoY%)
Net sales	15,563	16,215	31,778	16,300	17,300	33,600	4.7%	6.7%
Operating profit	2,343	1,940	4,284	2,140	2,180	4,320	(8.7)%	12.3%
Operating profit margin (%)	15.1	12.0	13.5	13.1	12.6	12.9	(1.9)pt	0.6 pt
Ordinary profit	2,355	1,959	4,315	2,150	2,190	4,340	(8.7)%	11.7%
Profit	1,767	1,492	3,260	1,520	1,740	3,260	(14.0)%	16.6%

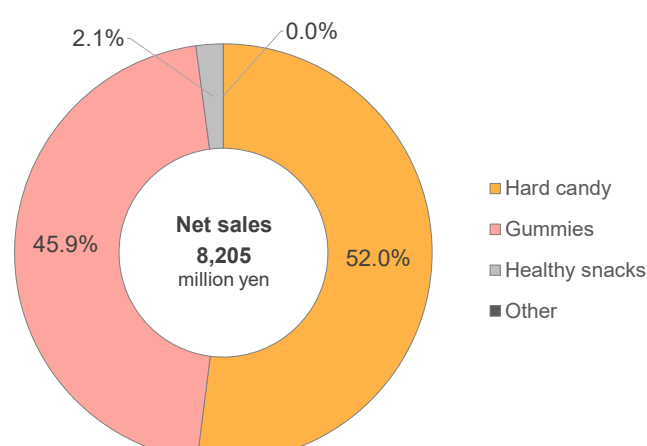
*Results and forecast for 2nd half are simple differences.

Composition of Net sales Jan. to Mar.

FY2024 Q1



FY2025 Q1



(Supplementary Materials 2) 【Non-consolidated Statements of Income】

Unit: Million yen

			FY2024 Q1		FY2025 Q1		FY2024 Q1 vs. FY2025 Q1	
			Amount	%	Amount	%	YoY	YoY%
Net sales			7,613	100.0%	8,205	100.0%	592	7.8%
Cost of sales			4,355	57.2%	4,674	57.0%	319	7.3%
Gross profit			3,258	42.8%	3,531	43.0%	272	8.4%
		Freight and storage costs	433	5.7%	456	5.6%	23	5.3%
		Advertising expenses	144	1.9%	94	1.2%	(50)	(34.7)%
		Other selling expenses	67	0.9%	77	0.9%	9	14.6%
		Total selling expenses	645	8.5%	628	7.7%	(17)	(2.7)%
		Personnel expenses	923	12.1%	973	11.9%	50	5.5%
		Other expenses	476	6.3%	531	6.5%	55	11.7%
		General and administrative expenses	1,399	18.4%	1,505	18.3%	105	7.6%
	Selling, general and administrative expenses		2,045	26.9%	2,133	26.0%	88	4.3%
	Operating profit		1,212	15.9%	1,397	17.0%	184	15.2%
		Non-operating income	5	0.1%	11	0.1%	5	99.8%
Non-operating expenses		1	0.0%	1	0.0%	(0)	(0.9)%	
Non-operating income and expenses		4	0.1%	9	0.1%	5	135.2%	
Ordinary profit		1,217	16.0%	1,407	17.1%	189	15.6%	
		Gain on sale of investment securities	75	1.0%	-	-	(75)	-
		Gain on sale of membership	0	0.0%	-	-	(0)	-
	Extraordinary income		76	1.0%	-	-	(76)	-
		Loss on retirement of non-current assets	0	0.0%	1	0.0%	0	587.0%
		Impairment losses	1	0.0%	3	0.0%	2	157.1%
		Extraordinary losses	1	0.0%	5	0.1%	3	200.3%
	Extraordinary income and losses		74	1.0%	(5)	-	(79)	-
	Profit before income taxes		1,291	17.0%	1,401	17.1%	110	8.5%
Total income taxes		350	4.6%	408	5.0%	58	16.7%	
Profit		941	12.4%	993	12.1%	51	5.5%	

(Supplementary Materials 3) 【Financial Indicators FY2021—FY2025/Forecast】

(FY2025 figures forecast; all others actual)

						Forecast
Fiscal Year	Unit	FY2021	FY2022	FY2023	FY2024	FY2025
Net sales	million yen	21,589	25,118	29,015	31,778	33,600
Net sales YoY	%	9.9	16.3	15.5	9.5	5.7
Gross profit	million yen	8,353	9,674	11,738	13,186	—
Gross profit margin	%	38.7	38.5	40.5	41.5	—
Operating profit	million yen	1,254	1,933	3,388	4,284	4,320
Operating profit margin	%	5.8	7.7	11.7	13.5	12.9
EBITDA	*1 million yen	2,370	3,080	4,599	5,787	5,960
Ordinary profit	million yen	1,291	2,001	3,432	4,315	4,340
Profit	million yen	879	1,346	2,462	3,260	3,260
Profit YoY	%	44.3	53.2	82.9	32.4	0.0
Net assets	million yen	11,750	12,555	14,533	16,831	—
Total assets	million yen	21,200	22,315	25,839	29,105	—
Equity ratio	%	55.4	56.3	56.2	57.8	—
Net assets per share	*2 yen	833.23	905.23	1,043.94	1,198.25	—
Basic earnings per share	*2 yen	62.33	96.08	177.09	232.56	232.56
ROA	*3 %	4.3	6.2	10.2	11.9	—
ROIC	*3 %	7.3	10.9	18.2	20.5	16.9
ROE	*3 %	7.7	11.1	18.2	20.8	18.2
PER	times	12.7	11.5	11.7	15.3	—
PBR	times	0.96	1.22	1.99	2.97	—
Cash flows from operating activities	million yen	2,620	2,373	3,935	4,398	—
Cash flows from investing activities	million yen	(1,002)	(1,116)	(1,839)	(2,169)	—
Cash flows from financing activities	million yen	(770)	(1,106)	(585)	(1,009)	—
Cash and cash equivalents at end of period	million yen	2,099	2,250	3,761	4,981	—
Number of employees	persons	608	608	639	678	—
Average number of temporary employees excluded from the number of employees	persons	(137)	(141)	(149)	(162)	—
Capital investment	million yen	914	1,052	1,856	2,950	—
Depreciation	million yen	1,115	1,149	1,216	1,508	—
Research and development expenses	million yen	710	755	771	786	—
Total number of issued shares at the end of the period (not including treasury shares)	*2 number of shares	14,102,336	13,869,428	13,922,101	14,046,438	—
Dividends per share	*2 yen	20.00	31.50	58.00	93.00	93.00
Payout ratio	%	32.0	32.8	32.8	40.0	40.0

The “Accounting Standard for Revenue Recognition” (ASBJ Statement No. 29, March 31, 2020) and related guidance are applied from the beginning of the fiscal year ended Dec. 31, 2022. Accordingly, certain items that were recorded as selling expenses, including agent fees, are deducted from net sales. The figures from the fiscal year ended December 31, 2021, are after retroactive application of said accounting standard.

*1: EBITDA = Operating profit + Depreciation

*2: Kanro conducted a share split of common stock at a ratio of two shares for every one share, effective as of July 1, 2022. Dividends per share, net assets per share, basic earnings per share, and total number of issued shares at the end of the period (not including treasury shares) are calculated on the assumption that the share split was conducted at the beginning of the fiscal year ended December 31, 2021.

*3: ROA = Profit / Average of total assets at beginning and end of period

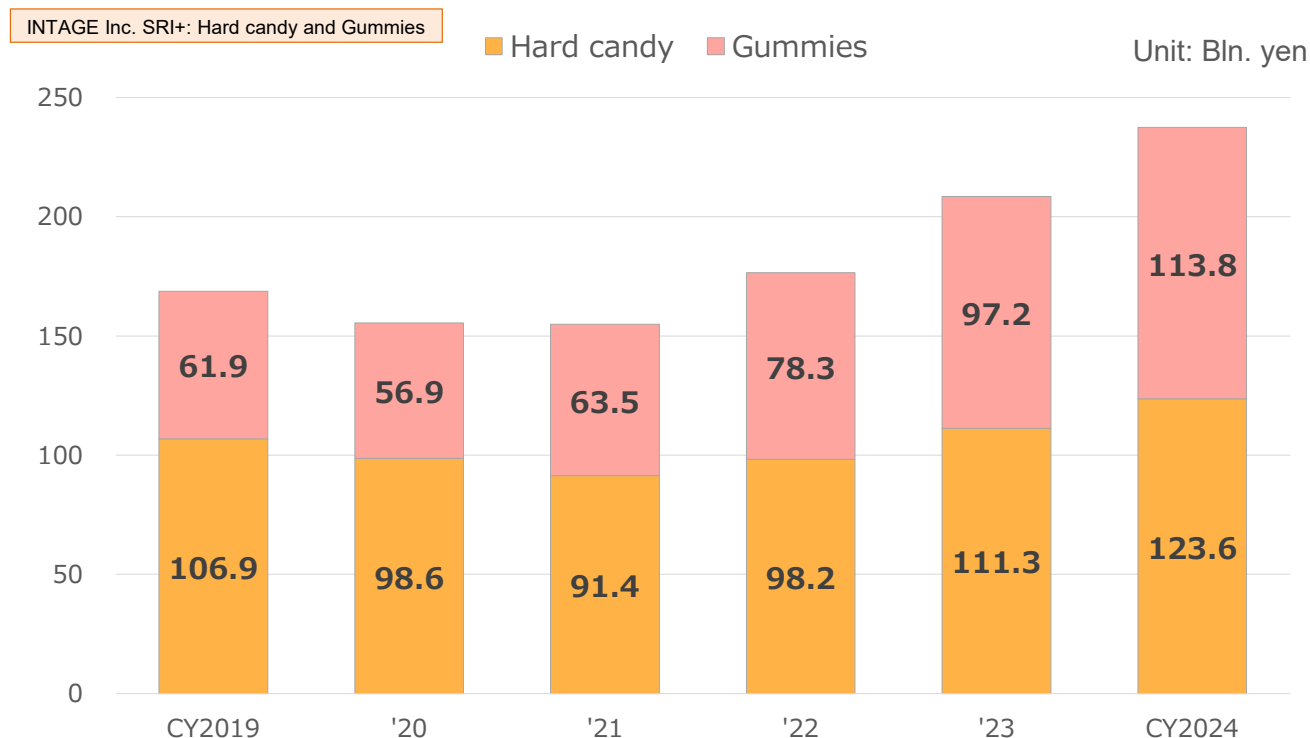
ROIC = Operating profit after tax / (average of interest-bearing liabilities at beginning and end of period + average of net assets at beginning and end of period)

ROE = Profit / Average of net assets at beginning and end of period

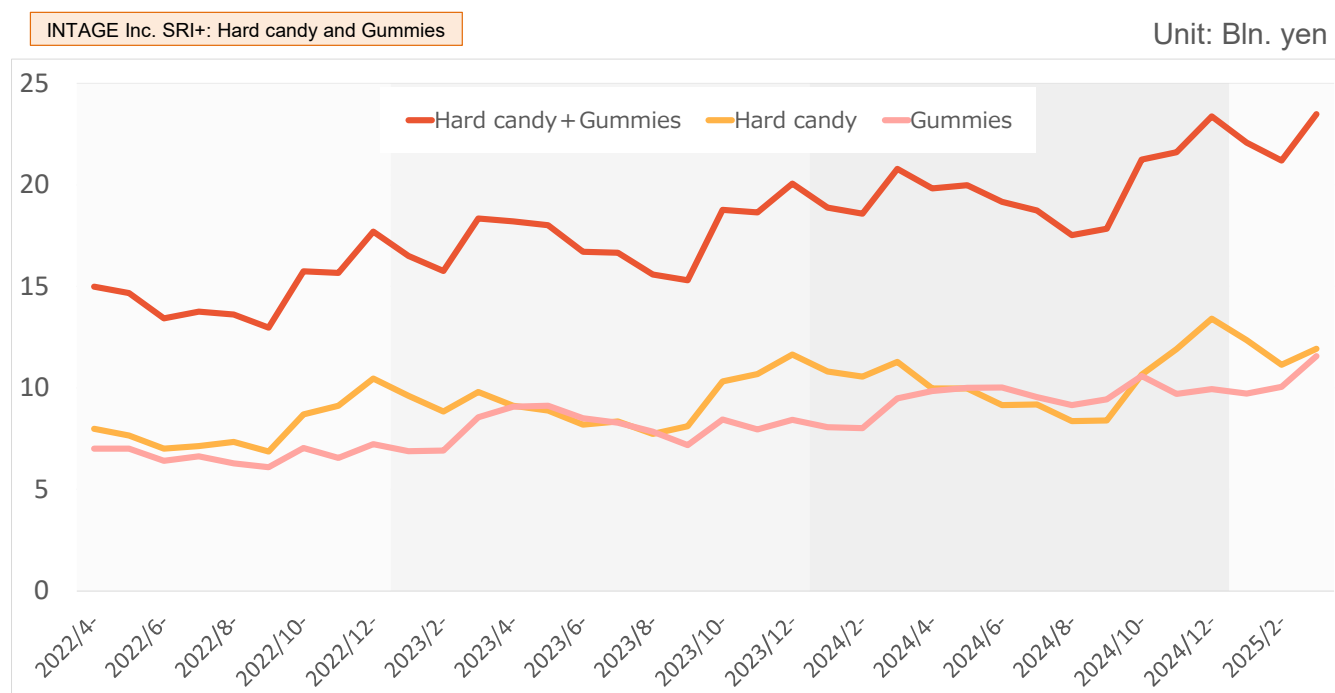
(Supplementary Materials 4) 【Market Trends】

*Please note that due to a change in the data aggregation method, the figures may differ from those previously disclosed.

【Market trends】 Hard candy + Gummies retail sales amount (Yearly)



【Market trends】 Hard candy + Gummies retail sales amount (Monthly)



Retail sales amount from Jan. to Mar. (YoY%)

Unit: Bln. yen

	Whole Market		YoY%	Kanro		YoY%
	Jan.- Mar. /2024	Jan.- Mar. /2025		Jan.- Mar. /2024	Jan.- Mar. /2025	
Hard candy	32.7	35.4	8.4%	6.4	6.8	6.4%
Gummies	25.6	31.3	22.6%	4.3	4.5	5.3%
Total	58.2	66.7	14.6%	10.7	11.3	6.0%

Unit: Bln. yen

* INTAGE Inc. SRI+: Hard candy and Gummies sales amount by type



Disclaimer

Forward-looking statements related to Kanro's current plans, outlook and strategy, etc. contained within these materials are based on judgments made by Kanro management using information available at hand at the time of writing. A variety of material factors that could result in actual performance differing significantly from earnings forecasts include, but are not limited to, economic conditions, particularly trends in personal consumption, as well as the industry environment in which the company conducts its business activities.

The information contained within these materials is provided to facilitate understanding of Kanro, and does not necessarily constitute encouragement to invest.

Moreover, information contained herein is not continuously updated, and the reader should be aware that the content may be revised or withdrawn without prior notice.

Inquiries related to these materials should be directed to Kanro Inc. at tel. +81-3-3370-8811

■ Company URL:

<https://www.kanro.co.jp/en/>

■ QR code for the
above:

