May 15, 2026

# Summary of the Consolidated Financial Results for the First Quarter of Fiscal Year Ending December 31, 2026 (Under Japanese GAAP)

Company name: HOTLAND HOLDINGS Co., Ltd.
Stock Listing: Tokyo Stock Exchange
Securities Code: 3196
URL: https://hotland.co.jp/
Representative: Morio Sase, President and Representative Director
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Scheduled date for payment of dividends: -
Supplemental material for quarterly results: None
Convening briefing of quarterly results: None

(Figures are rounded down to million, unless otherwise noted.)

## 1. Consolidated financial results for the first quarter of fiscal year ending December 31, 2026 (from January 1, 2026 to March 31, 2026)

### (1) Consolidated Financial Results (cumulative)

(Percentages (%) indicate changes from the previous year.)

| | Net Sales | | Operating Profit | | Ordinary Profit | | Profit attributable to Owners of Parent | |
|---|---|---|---|---|---|---|---|---|
| Three months ended | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| March 31, 2026 | 13,800 | 7.9 | 753 | 1.6 | 917 | 72.3 | 520 | 56.2 |
| March 31, 2025 | 12,792 | 11.6 | 742 | (32.8) | 532 | (64.8) | 332 | (64.2) |

Note: Comprehensive income For the three months ended March 31, 2026: ¥457 million [414.2%]
For the three months ended March 31, 2025: ¥88 million [(92.1)%]

| | Basic Earnings per Share | Diluted Earnings per Share |
|---|---|---|
| Three months ended | Yen | Yen |
| March 31, 2026 | 24.47 | - |
| March 31, 2025 | 15.66 | - |

Note: Diluted earnings per share are not included because there are no dilutive shares.

### (2) Consolidated Financial Position

| | Total Assets | Net Assets | Equity-to-Asset ratio | Net Assets per share |
|---|---|---|---|---|
| As of | Millions of yen | Millions of yen | % | Yen |
| March 31, 2026 | 35,594 | 12,289 | 32.2 | 539.42 |
| December 31, 2025 | 33,457 | 12,187 | 33.9 | 533.37 |

Reference: Equity
As of March 31, 2026: ¥11,469 million
As of December 31, 2025: ¥11,340 million

## 2. Dividends

| | Annual dividends per share | | | | |
|---|---|---|---|---|---|
| | First quarter-end | Second quarter-end | Third quarter-end | Fiscal year-end | Full Year |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended December 31, 2025 | - | 0.00 | - | 13.00 | 13.00 |
| Fiscal year ending December 31, 2026 | - | | | | |
| Fiscal year ending December 31, 2026 (Forecast) | | 0.00 | | 13.00 | 13.00 |

Note: Revisions to the forecast of dividends most recently published: None

## 3. Consolidated Forecasts for the Fiscal Year Ending December 31, 2026 ( January 1, 2026 to December 31, 2026)

(Percentages (%) indicate changes from the previous fiscal year.)

| | Net Sales | | Operating Profit | | Ordinary Profit | | Profit Attributable to Owners of Parent | | Basic Earnings per Share |
|---|---|---|---|---|---|---|---|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Fiscal year ending December 31, 2026 | 58,000 | 13.6 | 2,500 | 40.1 | 2,350 | 14.3 | 800 | 97.3 | 37.63 |

Note: Revisions to the consolidated financial forecasts most recently published: None

*** Notes**

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

(2) Application of accounting procedures specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: None

(ii) Changes in accounting policies other than (i) : None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

| | |
|---|---|
| As of March 31, 2026 | 21,655,600 shares |
| As of December 31, 2025 | 21,655,600 shares |

(ii) Number of treasury shares at the end of the period

| | |
|---|---|
| As of March 31, 2026 | 393,876 shares |
| As of December 31, 2025 | 393,876 shares |

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

| | |
|---|---|
| Three months ended March 31, 2026 | 21,261,724 shares |
| Three months ended March 31, 2025 | 21,261,724 shares |

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants and/or auditing firms:Yes (optional)

* Proper use of business performance forecasts, and other special matters

The forward-looking statements, including forecasts of financial results and figures contained in these materials are based on information available to the Company at the time of the announcement and certain assumptions deemed to be reasonable but include some degree of uncertainty. The Company makes no guarantee that these forecasts will be achieved. Actual business performance and other results may differ from the forecasts depending on the changes in business conditions and other factors . For the conditions on which business performance forecasts are predicated and notes on the use of business performance forecasts, please refer to Appendix P.3 "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Forecasts."

## 2 Quarterly Financial Statements and Major Notes
## (1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

| | End of Previous Fiscal Year (as of December 31, 2025) | End of First Quarter of Current Fiscal Year (as of March 31, 2026) |
|---|---|---|
| Assets | | |
| Current assets | | |
| Cash and deposits | 4,805,979 | 6,687,314 |
| Accounts receivable - trade | 2,765,186 | 2,111,646 |
| Inventories | 3,349,652 | 3,402,621 |
| Other | 3,089,937 | 2,925,556 |
| Allowance for doubtful accounts | (80,261) | (78,486) |
| Total current assets | 13,930,494 | 15,048,653 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 8,921,294 | 9,322,029 |
| Other, net | 2,829,665 | 3,162,896 |
| Total property, plant and equipment | 11,750,960 | 12,484,925 |
| Intangible assets | | |
| Goodwill | 1,534,075 | 1,482,726 |
| Other | 107,728 | 103,063 |
| Total intangible assets | 1,641,803 | 1,585,790 |
| Investments and other assets | | |
| Leasehold and guarantee deposits | 3,239,044 | 3,311,777 |
| Other | 2,911,931 | 3,179,805 |
| Allowance for doubtful accounts | (16,251) | (16,101) |
| Total investments and other assets | 6,134,723 | 6,475,482 |
| Total non-current assets | 19,527,487 | 20,546,198 |
| Total assets | 33,457,982 | 35,594,851 |

(Thousands of yen)

| | End of Previous Fiscal Year (as of December 31, 2025) | End of First Quarter-of Current Fiscal Year (as of March 31, 2026) |
|---|---|---|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 2,846,418 | 2,548,732 |
| Short-term borrowings | 1,541,570 | 2,122,087 |
| Current portion of long-term borrowings | 1,880,058 | 2,102,813 |
| Accounts payable - other | 1,880,293 | 1,821,805 |
| Income taxes payable | 399,651 | 531,035 |
| Provision for bonuses | 212,108 | 427,779 |
| Asset retirement obligations | 21,830 | 5,616 |
| Other | 2,622,510 | 2,794,478 |
| Total current liabilities | 11,404,441 | 12,354,348 |
| Non-current liabilities | | |
| Long-term borrowings | 7,639,182 | 8,600,274 |
| Asset retirement obligations | 1,216,502 | 1,244,235 |
| Retirement benefit liability | 126,980 | 130,995 |
| Other | 883,062 | 975,188 |
| Total non-current liabilities | 9,865,727 | 10,950,693 |
| Total liabilities | 21,270,169 | 23,305,041 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 3,313,074 | 3,313,074 |
| Capital surplus | 3,184,225 | 3,184,225 |
| Retained earnings | 5,462,530 | 5,706,327 |
| Treasury shares | (758,476) | (758,476) |
| Total shareholders' equity | 11,201,354 | 11,445,150 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 41,817 | 17,107 |
| Deferred gains or losses on hedges | 133,869 | 57,569 |
| Foreign currency translation adjustment | (30,599) | (45,226) |
| Remeasurements of defined benefit plans | (6,181) | (5,578) |
| Total accumulated other comprehensive income | 138,906 | 23,872 |
| Non-controlling interests | 847,552 | 820,786 |
| Total net assets | 12,187,813 | 12,289,810 |
| Total liabilities and net assets | 33,457,982 | 35,594,851 |

## (2) Quarterly Consolidated Statements of Income and Comprehensive Income
## (Quarterly Consolidated Statements of Income)

(Thousands of yen)

| | Three months ended March 31, 2025 | Three months ended March 31, 2026 |
|---|---|---|
| Net sales | 12,792,667 | 13,800,206 |
| Cost of sales | 5,557,476 | 6,006,168 |
| Gross profit | 7,235,190 | 7,794,038 |
| Selling, general and administrative expenses | 6,492,915 | 7,040,062 |
| Operating profit | 742,275 | 753,975 |
| Non-operating income | | |
| Interest and dividend income | 1,692 | 4,702 |
| Foreign exchange gains | - | 198,577 |
| Subsidy income | 35,942 | - |
| Surrender value of insurance policies | 17,391 | - |
| Other | 18,239 | 16,470 |
| Total non-operating income | 73,265 | 219,749 |
| Non-operating expenses | | |
| Interest expenses | 34,112 | 52,606 |
| Commission expenses | 2,394 | 1,214 |
| Foreign exchange losses | 237,545 | - |
| Other | 9,118 | 2,734 |
| Total non-operating expenses | 283,170 | 56,555 |
| Ordinary profit | 532,371 | 917,170 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 2,640 | 506 |
| Total extraordinary income | 2,640 | 506 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 601 | 2,342 |
| Loss on store closings | 1,859 | 3,656 |
| Impairment losses | 590 | 28,105 |
| Total extraordinary losses | 3,050 | 34,104 |
| Profit before income taxes | 531,960 | 883,571 |
| Income taxes - current | 391,359 | 508,559 |
| Income taxes - deferred | (216,934) | (190,535) |
| Total income taxes | 174,424 | 318,024 |
| Profit | 357,536 | 565,547 |
| Profit attributable to non-controlling interests | 24,571 | 45,349 |
| Profit attributable to owners of parent | 332,964 | 520,198 |

## (Quarterly consolidated Statements of Comprehensive Income)

(Thousands of yen)

| | Three months ended March 31, 2025 | Three months ended March 31, 2026 |
|---|---|---|
| Profit | 357,536 | 565,547 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (14,744) | (24,710) |
| Foreign currency translation adjustment | (17,925) | (9,877) |
| Remeasurements of defined benefit plans, net of tax | 6,878 | 602 |
| Deferred gains or losses on hedges | (242,811) | (76,299) |
| Share of other comprehensive income of entities accounted for using equity method | - | 2,008 |
| Total other comprehensive income | (268,602) | (108,276) |
| Comprehensive income | 88,933 | 457,271 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 87,397 | 405,164 |
| Comprehensive income attributable to non-controlling interests | 1,536 | 52,106 |

(3) Notes on Quarterly Consolidated Financial Statements
(Notes on segment information, etc.)
Segment Information
I. Three months ended March 31, 2025
1. Information on sales and the amount of profit or loss for each reported segment

(Thousands of yen)

| | Reportable segments | | | | Adjustment Amount (Note) 1 | Quarterly Consolidated Statements of Income (Note)2 |
|---|---|---|---|---|---|---|
| | Food and Beverage Business | Resort Business | Manufacturing and Sales Business | Total | | |
| Sales | | | | | | |
| Revenues from external customers | 12,396,994 | 22,719 | 372,952 | 12,792,667 | - | 12,792,667 |
| Transactions with other segments | 199,848 | - | 17,729 | 217,578 | (217,578) | - |
| Total | 12,596,843 | 22,719 | 390,682 | 13,010,245 | (217,578) | 12,792,667 |
| Segment profit (loss) | 755,196 | (22,918) | 33,373 | 765,652 | (23,376) | 742,275 |

Note: 1. The adjustment amount of (23,376) thousand yen for segment profit or loss represents the elimination of inter-segment transactions.
2. Segment profit or segment loss is reconciled with the operating income in the Quarterly Consolidated Statements of Income.

2. Changes to Reporting Segments, etc.
As described in "2. Changes to Reporting Segments, etc." in II below.

3. Information on impairment losses on fixed assets or goodwill per reporting segment
(Significant Impairment Loss on Fixed Assets)
In the Food and Beverage Business segment, we recorded an impairment loss of 590,000 yen as a result of a reduction in the book value of buildings and other assets to recoverable amounts due to a decline in store profitability. The impairment loss recorded for three months ended March 31, 2025 was 590,000 yen.

II. Three months ended March 31, 2026
1. Information on sales and the amount of profit or loss for each reported segment

(Thousands of yen)

| | Reportable segments | | | | Adjustment Amount (Note) 1 | Quarterly Consolidated Statements of Income (Note)2 |
|---|---|---|---|---|---|---|
| | Food and Beverage Business | Resort Business | Manufacturing and Sales Business | Total | | |
| Sales | | | | | | |
| Revenues from external customers | 13,320,229 | 46,877 | 433,100 | 13,800,206 | - | 13,800,206 |
| Transactions with other segments | 71,524 | - | 27,520 | 99,045 | (99,045) | - |
| Total | 13,391,753 | 46,877 | 460,620 | 13,899,251 | (99,045) | 13,800,206 |
| Segment profit (loss) | 754,742 | (35,661) | 33,216 | 752,297 | 1,677 | 753,975 |

Note: 1. The adjustment amount of 1,677 thousand yen for segment profit or segment loss represents the elimination of inter-segment transactions
2. Segment profit or segment loss is reconciled with the operating income in the Quarterly Consolidated Statements of Income.

2. Changes to Reporting Segments, etc.
As a result of the transition to a holding company structure on April 1, 2025, the Group revised its management classification from the fiscal year ended December 31, 2025. The sales and segment profits and losses of Hotland Foods Co., Ltd., a subsidiary of the Company that manufactures and sells frozen takoyaki and develops new frozen foods, have been changed to "Manufacturing and Sales Business." Accordingly the Group’s reportable segments have been changed to three segments: from "Food and Beverage Business" and "Resort Business," to "Food and Beverage Business," "Resort Business," and "Manufacturing and Sales Business."
The segment information for the three months ended March 31, 2025 has been restated according to the revised classification, as shown in "1. Information on sales and amounts of profit or loss by reported segment" in three months ended March 31, 2025 above.

3. Information on impairment losses on fixed assets or goodwill per reporting segment
(Significant Impairment Loss on Fixed Assets)
In the Food and Beverage Business segment, we recorded an impairment loss of 28,105,000 yen as a result of a reduction in the book value of buildings and other items to recoverable amount due to a decline in store profitability. The impairment loss for the three months ended March 31, 2026 was 28,105,000 yen.