



Q2 and H1 FY10/2026

Q2 FY10/2026 Results

**SHOEI FOODS CORPORATION
(TSE Prime Market, Code: 8079)**

I. Q2 and H1 FY10/2026 Results

II. Progress on Medium-Term Management Plan

Financial Highlights (Nov.–Apr.)



- ◆ Our group has worked to strengthen our two business models—as a specialized food trading company and as a manufacturer—by expanding our product lineup through the diversification of overseas production areas and suppliers, and by offering products manufactured in our own factories.
- ◆ Net sales increased 6.8% year-on-year, driven by higher sales in all segments—Japan, the United States, and China—as well as across all product categories, partly due to price increases implemented in response to rising raw ingredient costs.
- ◆ On the profit front, gross profit increased due to factors such as higher selling prices, resulting in a profit increase that significantly exceeded expectations.

(Millions of yen)

	H1 FY10/25	H1 FY10/26		YoY change	vs. Initial forecast	Full-year FY10/26	
	Result	Initial forecast	Result			Initial forecast	Revised Forecast
Net sales	65,764	68,000	70,290	+6.8%	+3.3%	130,000	130,000
Gross profit	10,192	—	11,078	+8.6%	—	—	—
Operating profit	2,913	3,000	3,730	+28.0%	+24.3%	5,100	5,800
Ordinary profit	2,941	3,030	3,771	+28.2%	+24.4%	5,150	5,800
Profit attributable to owners of parent	1,731	1,900	2,546	+47.0%	+34.0%	3,400	4,000
Operating margin	4.4%	4.4%	5.3%	—	achieved	3.9%	4.5%

Exchange Rate : USD JPY 149.52 JPY 159.88
 : RMB JPY 20.59 JPY 23.11
 : HKD JPY 19.22 JPY 20.40

Performance Trends

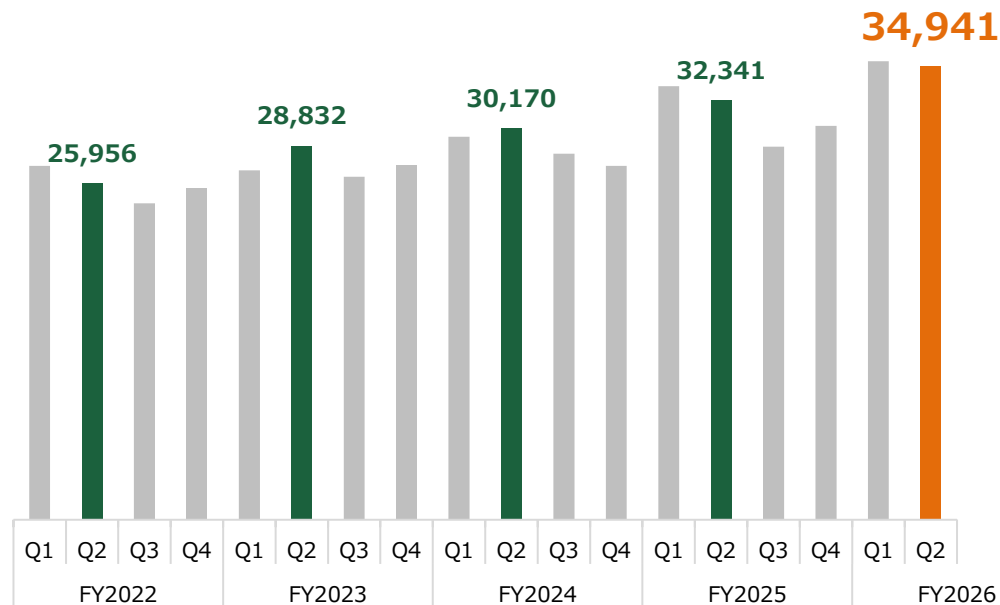
Net Sales and Gross Profit



- ◆ Sales (February–April) increased, setting a new record high for that quarter.
- ◆ Gross profit (February–April) also reached a record high compared to the same quarter of the previous year.

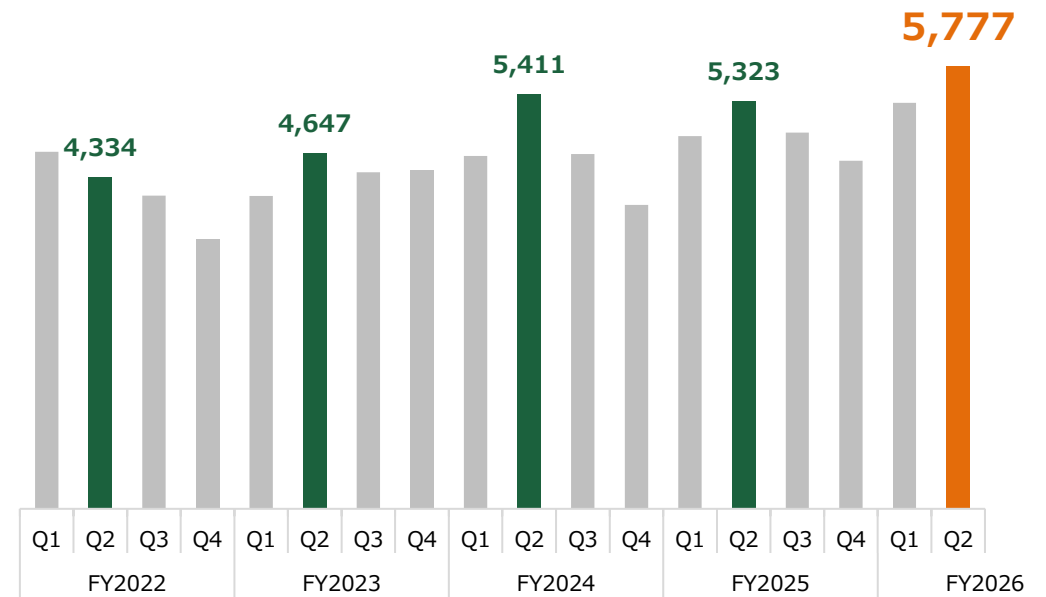
Net Sales Trend (Quarterly)

(Millions of yen)



Gross Profit Trend (Quarterly)

(Millions of yen)



Performance Trends

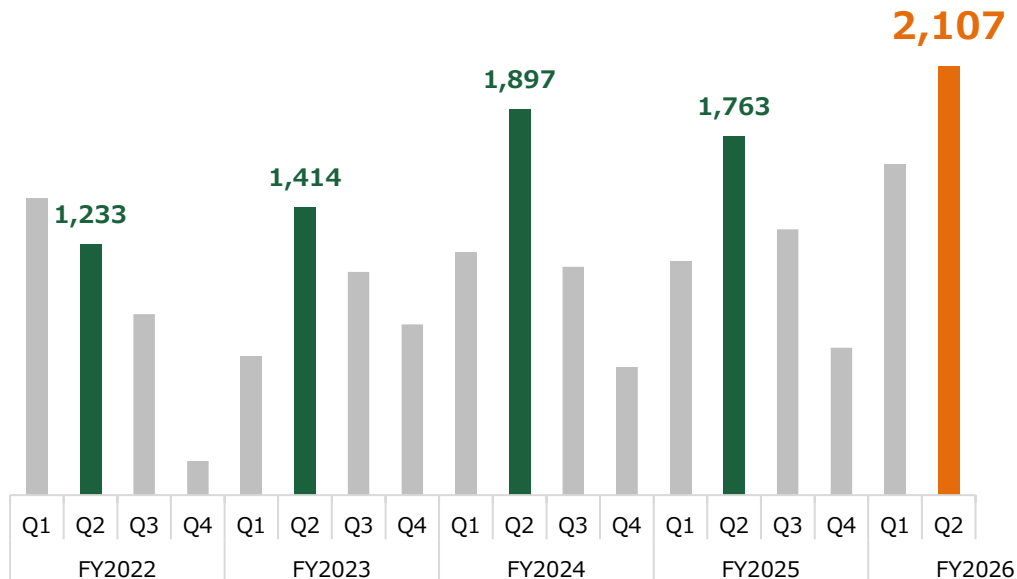
Operating Profit



- ◆ Operating profit (February–April) increased by 19.5% compared to the same quarter of the previous year, setting a new record high.
- ◆ On a cumulative basis as well, driven largely by increased revenue and a lower cost-of-sales ratio, we achieved an increase in profit of 817 million yen.

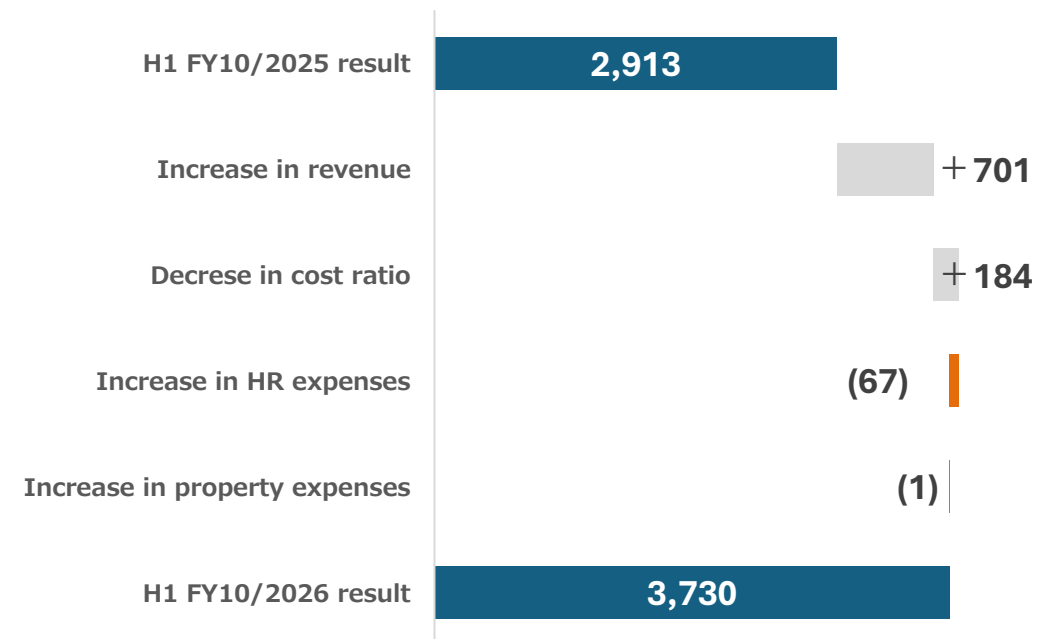
Operating Profit Trend (Quarterly)

(Millions of yen)



Factors behind changes in H1 operating profit

(Millions of yen)



Description of Business by Segment



The company's main business is the procurement, processing, manufacturing, and sale of food ingredients (dairy products, oils and fats, confectionery ingredients, dried fruits, canned foods, food ingredients for restaurants, etc.) for the food industry, mainly the confectionery and baking industries, as well as the manufacturing and sale of retail confectionery and dried fruit products (nuts and dried fruits). The company owns seven plants in Japan.

ShoEi Foods (U.S.A.), Inc.

- i. Procures walnuts from local farmers and processes them (in-shell or shelled), primarily for export
- ii. Purchases and sells prunes
- iii. Procures dried fruits in the U.S. and exports them to Japan (the Company)
- iv. Operates farms producing prunes, walnuts, and almonds
- v. Imports dried fruits and sells them within the U.S.

ShoEi Foods Qingdao Co., Ltd.

Yanji ShoEi Foods Co., Ltd.

- i. Processing and manufacturing of confectionery ingredients and dried fruits
- ii. Export of processed and manufactured goods to Japan, Europe, etc.
- iii. Sale in China and Hong Kong via ShoEi International Trading Shanghai Co., Ltd. & ShoEi International Trading Hong Kong Co., Ltd.

ShoEi International Trading Shanghai Co., Ltd.

ShoEi International Trading Hong Kong Co., Ltd.

- i. Mainly imports dried fruits for sale in China and Hong Kong
- ii. Selling products processed and manufactured by ShoEi Foods Qingdao Co., Ltd. & Yanji ShoEi Foods Co., Ltd. in China and Hong Kong



Performance by Segment (Nov.–Apr.)



(Millions of yen)

	Net sales				Segment profit			
	H1 FY10/25	H1 FY10/26	Amount	%	H1 FY10/25	H1 FY10/26	Amount	%
Japan	56,501	59,716	+3,214	+5.6%	2,719	3,150	+431	+15.8%
USA	5,886	7,459	+1,572	+26.7%	265	565	+300	+113.2%
China	5,934	6,252	+318	+5.3%	123	238	+115	+93.7%
Adjustment	-2,558	-3,137	-579	–	-195	-224	-29	–
Total	65,764	70,290	+4,525	+6.8%	2,913	3,730	+817	+28.0%

Japan

- ◆ Net sales increased by 5.6% year-on-year to 59,716 million yen, driven by higher selling prices in response to rising raw ingredient costs, as well as increased sales of processed chocolate, baked goods for confectionery, dessert ingredients for the foodservice sector, and small-packaged nuts for the retail market.
- ◆ Segment profit rose 15.8% year-on-year to 3,150 million yen, driven by an increase in gross profit resulting from higher selling prices.

USA

- ◆ Although prices for our flagship product, walnuts, declined year-on-year, revenue increased by 26.7% year-on-year to 7,459 million yen due to a bumper crop that led to higher volumes of walnuts received and sold.
- ◆ Segment profit rose 113.2% year-on-year to 565 million yen, driven by increased sales volumes of both in-shell and shelled walnuts in the Walnut Business, as well as improved profitability in the Orchard Business due to higher walnut harvests.

China

- ◆ Although domestic sales of imported goods declined, exports of Chinese seeds increased, and sales of processed products from our own factories in China—such as almond products—also rose. As a result, net sales increased by 5.3% year-on-year to 6,252 million yen.
- ◆ Although segment profit from domestic sales declined, segment profit increased by 93.7% year-on-year to 238 million yen. This was due to a reduction in SG&A resulting from improved profitability in exports and initiatives aimed at enhancing profitability, such as the review of logistics and the division of roles among business locations implemented last year.

Main Products by Category

category	Subcategory	Main Products
Dairy products, oils and fats	Dairy products	Butter, milk powder, condensed milk, liquid dairy products, cheese, lactose, whey
	Oils and fats	Fats and oils for confectionery, frozen desserts and bread (margarines, shortening, etc.)
Confectionery raw ingredients	Confectionery Materials	Processed chocolate, baked confectionery, liqueur dipped fruits (rum raisins, etc.), peel products, fruit fillings
	Chestnut products	Chestnut paste, chestnuts in syrup-kanroni, marron glacé
	Japanese confectionery Materials	Sweet potato, xingren powder, oak leaf, preserved cherry leaves with salt
	Bread making materials	Joshinko-powdered non-glutinous rice, cake flour
	Purchased products	Leavening agents/jelly, chocolate/cocoa, honey/sugar, alcohol (liqueurs, etc.), matcha, sesame
Dried fruits and canned foods	Nuts & Seeds	Almonds, walnuts, macadamia nuts, coconut, pistachios, cashews, hazelnuts, pine nuts, pumpkin seeds
	Dried Fruits	Raisins, prunes, cranberries, blueberries, pineapples
	Fruit Processed Products	Processed apples, processed mangoes, canned yellow peaches, canned pineapples
	Raw Materials for Food Service	Pasta, sweet corn, processed tomatoes, olive oil, dessert ingredients, frozen fruit puree
Confectionery and retail products	Confectionery	Chocolate confectionery, biscuits
	Retail products	Nuts in retail bag, prunes in retail bag, other dried fruit in retail bags, vegetable products

Sales Composition by product category (Nov.–Apr.)



(Millions of yen)

	H1 FY10/25		H1 FY10/26		YoY change	
	Net sales	Percentage of total	Net sales	Percentage of total	Amount	%
Dairy products, oils and fats	20,456	31.1%	21,062	30.0%	+605	+2.9%
Confectionery raw ingredients	10,497	16.0%	11,107	15.8%	+609	+5.8%
Dried fruits and canned foods	23,309	35.4%	26,456	37.6%	+3,147	+13.5%
Confectionery and retail products	11,492	17.5%	11,655	16.6%	+163	+1.4%
Other	7	0.0%	8	0.0%	+0	+11.7%
Total	65,764	100.0%	70,290	100.0%	+4,525	+6.8%

Dairy products, oils and fats

Driven in part by price increases, sales of dairy products—including condensed milk and liquid dairy products—as well as fats and oils rose. Additionally, revenue from the processing of surplus milk at our domestic production subsidiaries increased, resulting in a 2.9% year-over-year increase in sales of dairy products, oils and fats.

Confectionery raw ingredients

While sales of chestnut products, such as chestnuts paste, declined, sales of our own processed products—including processed chocolate, baked goods for confectionery, and liqueur dipped fruits—as well as domestically sourced items such as chocolate, increased. As a result, sales of Confectionery raw ingredients rose 5.8% year-over-year.

Dried fruits and canned foods

Reflecting higher unit prices, sales in Japan of almonds, walnuts, coconuts, raisins, and other products increased. In the United States, in addition to higher unit prices, sales volume increased due to a bumper crop of walnuts, our flagship product. As a result, sales of Dried fruits and canned foods rose 13.5% year-over-year.

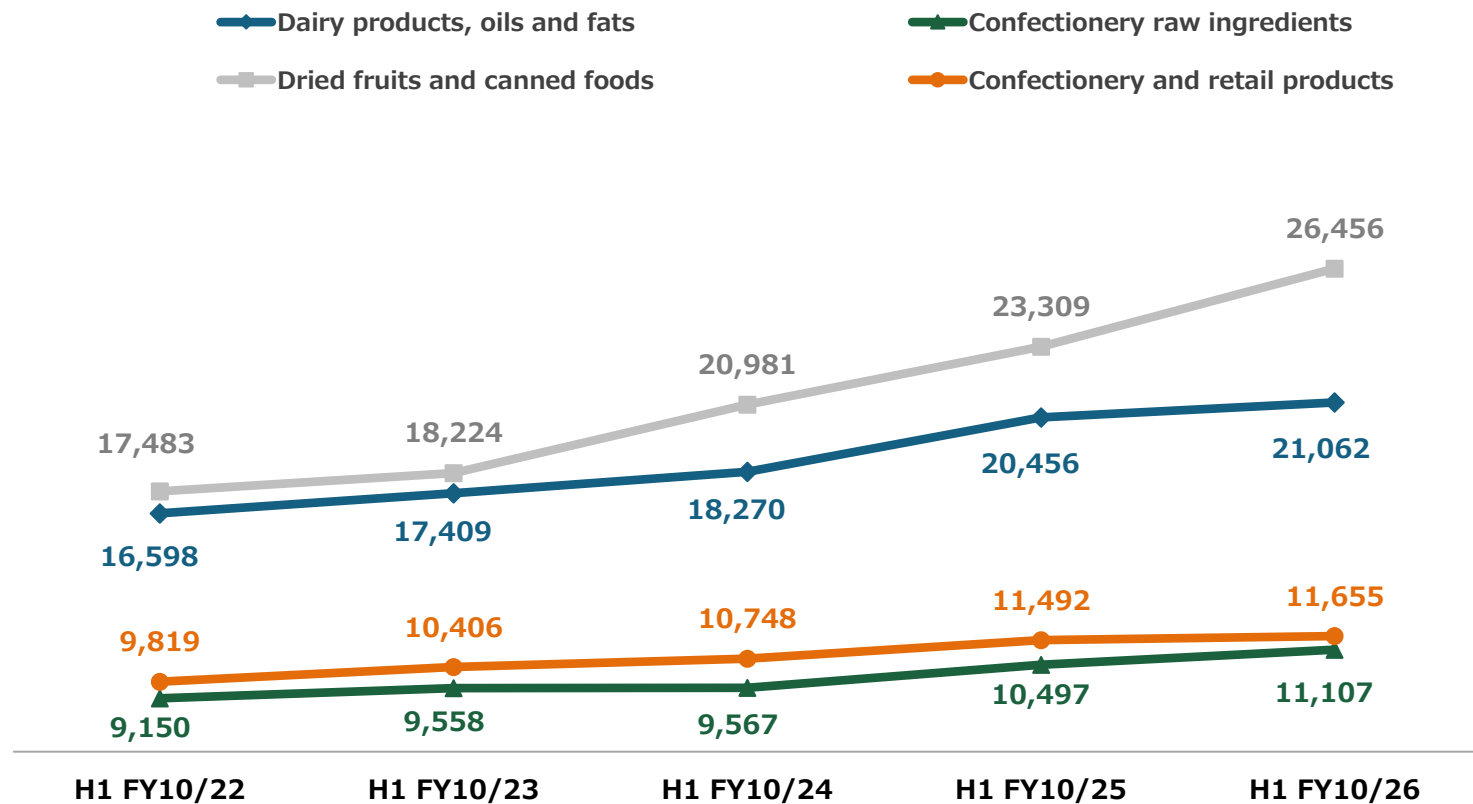
Confectionery and retail products

Driven in part by higher retail prices resulting from rising cocoa prices, sales of chocolate, biscuits, and other products—particularly private-label items—increased, as did sales of retail products such as small bags of nuts. As a result, sales of Confectionery and retail products rose 1.4% year-over-year.

Sales Composition by product category (Nov.–Apr.)

(Millions of yen)

Driven in part by price increases, revenue is on an upward trend across all product categories.

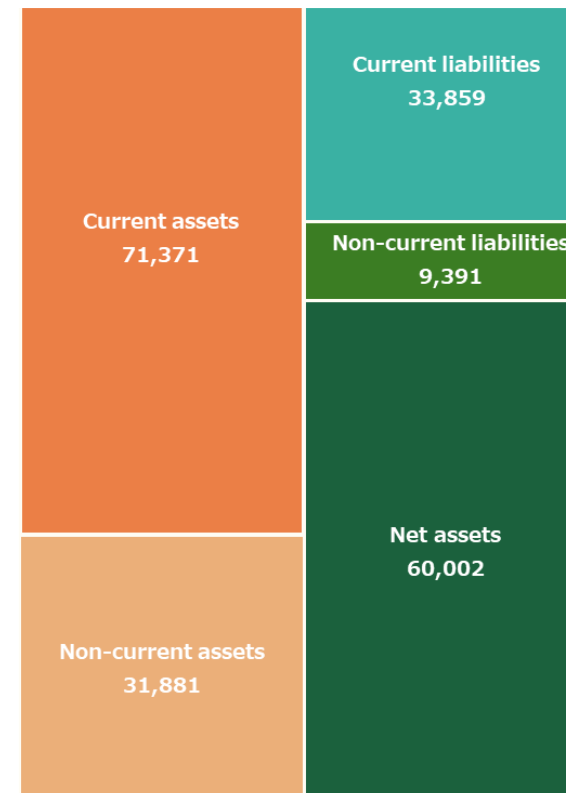


Consolidated Financial Position

- ◆ Current assets increased due to an increase in notes and accounts receivable and inventory, resulting in an increase in total assets.
- ◆ Due to an increase in long-term debt, non-current liabilities rose, resulting in an increase in total liabilities.
- ◆ Net assets increased due to an increase in shareholders' equity resulting from the retention of earnings, as well as an increase in accumulated other comprehensive income.

(Millions of yen)

		Oct. 31, 2025	Apr. 30, 2026	Amount	
Assets	Current assets	Cash and deposits	11,505	11,172	-332
		Notes and accounts receivable - trade	23,753	26,937	+3,184
		Inventories	28,652	31,870	+3,217
		Other current assets	1,852	1,389	-462
		Total current assets	65,764	71,371	+5,607
	Non-current assets	Property, plant and equipment	22,792	22,896	+103
		Intangible assets	491	500	+9
		Total investments and other assets	7,538	8,484	+945
		Total non-current assets	30,822	31,881	+1,058
	Total assets		96,586	103,252	+6,665
Liabilities	Current liabilities		33,770	33,859	+88
	Non-current liabilities		6,884	9,391	+2,506
	Total liabilities		40,655	43,250	+2,594
Net assets	Shareholders' equity		48,268	50,337	+2,068
	Accumulated other comprehensive income		6,559	8,494	+1,934
	Non-controlling interests		1,103	1,170	+67
	Total net assets		55,931	60,002	+4,070
Total liabilities and net assets		96,586	103,252	+6,665	
Interest-bearing debt		22,319	22,102	-217	

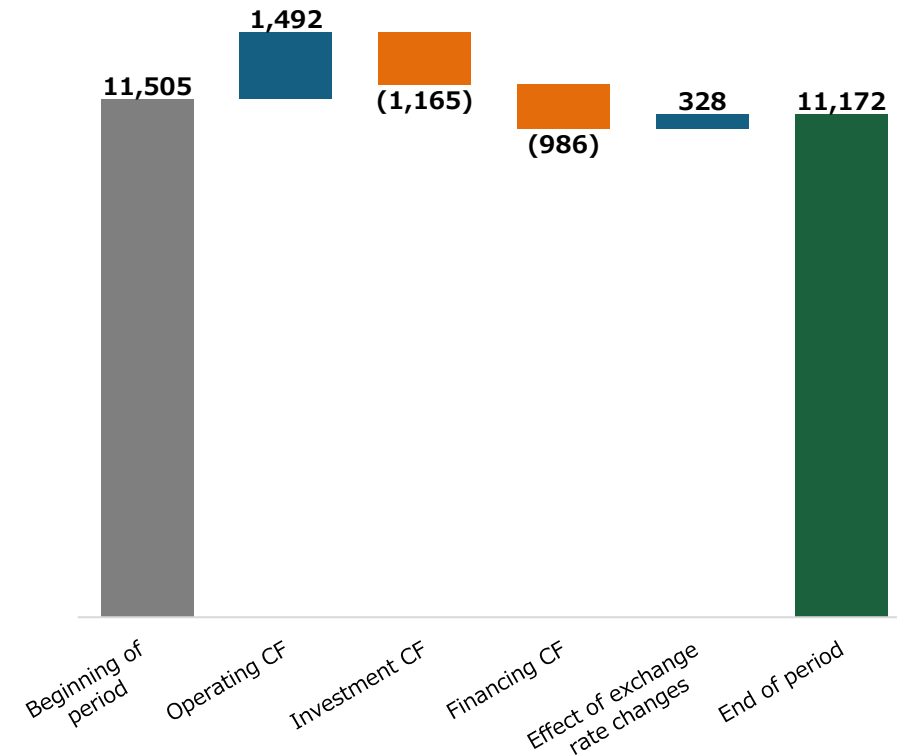


Cash Flows (Nov.–Apr.)

- ◆ Operating cash flow was positive due to strong interim net income and an increase in trade payables.
- ◆ Investing cash flows were negative due to capital expenditures.
- ◆ Financing cash flow was negative due to a decrease in short-term borrowings and dividend payments.
- ◆ Cash and cash equivalents decreased.

(Millions of yen)

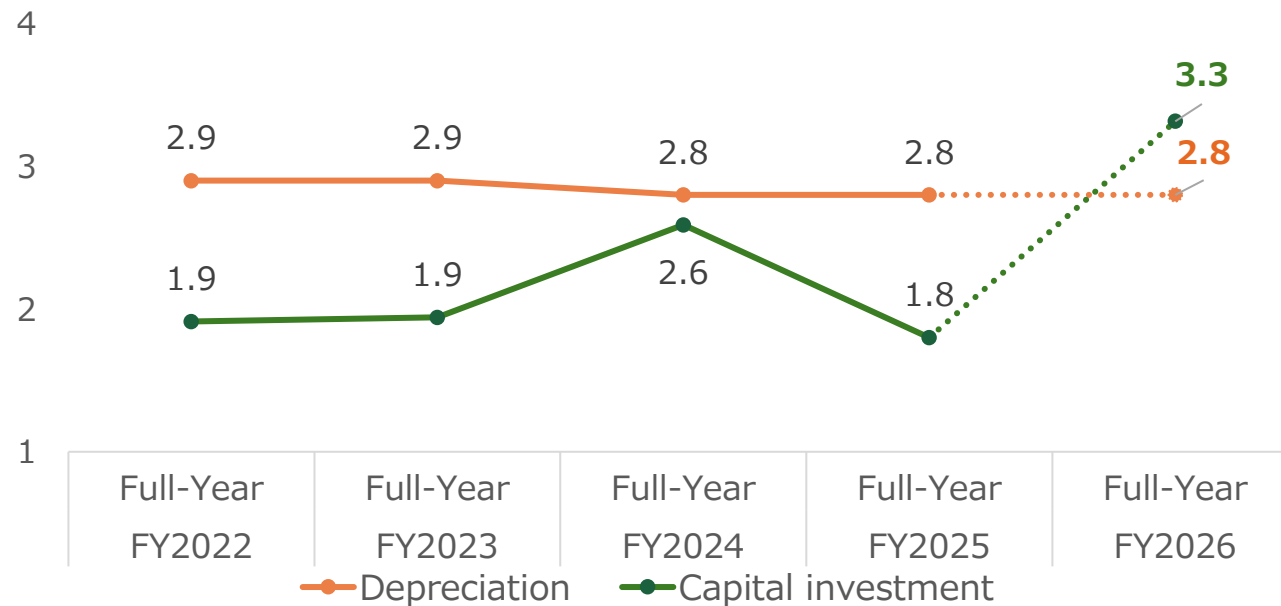
	H1 FY10/25	H1 FY10/26	Amount
Cash flows from operating activities	(3,634)	1,492	+5,126
Cash flows from investing activities	(562)	(1,165)	(603)
Cash flows from financing activities	3,058	(986)	(4,045)
Effect of exchange rate change on cash and cash equivalents	148	328	+179
Net increase (decrease) in cash and cash equivalents	(989)	(332)	+657
Cash and cash equivalents at beginning of period	11,194	11,505	+310
Cash and cash equivalents at end of period	10,205	11,172	+967



Capital Investment Plan

◆ We plan to maintain capital expenditures for the fiscal year ending October 2026 at the level disclosed at the beginning of the fiscal year (3.3 billion yen).

(Billions of yen)



〈 Breakdown of capital investment 〉

tangible fixed asset 2.7 billion yen
 intangible fixed asset 0.6 billion yen

total 3.3 billion yen

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II. Progress on Medium-Term Management Plan

Mission Statement and Corporate Vision

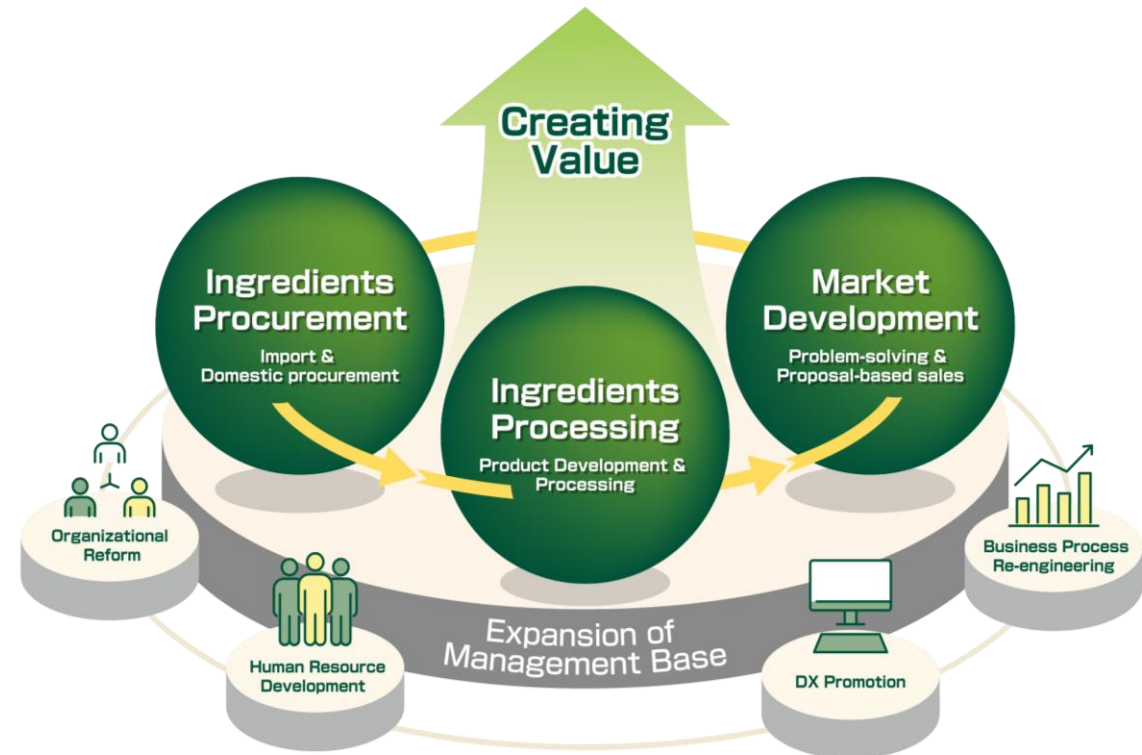
Mission Statement

Our mission is to contribute to society through creation of a new food culture. We will achieve this mission by always providing our customers with safe and reliable food from carefully selected sources both domestically and globally.

Corporate Vision

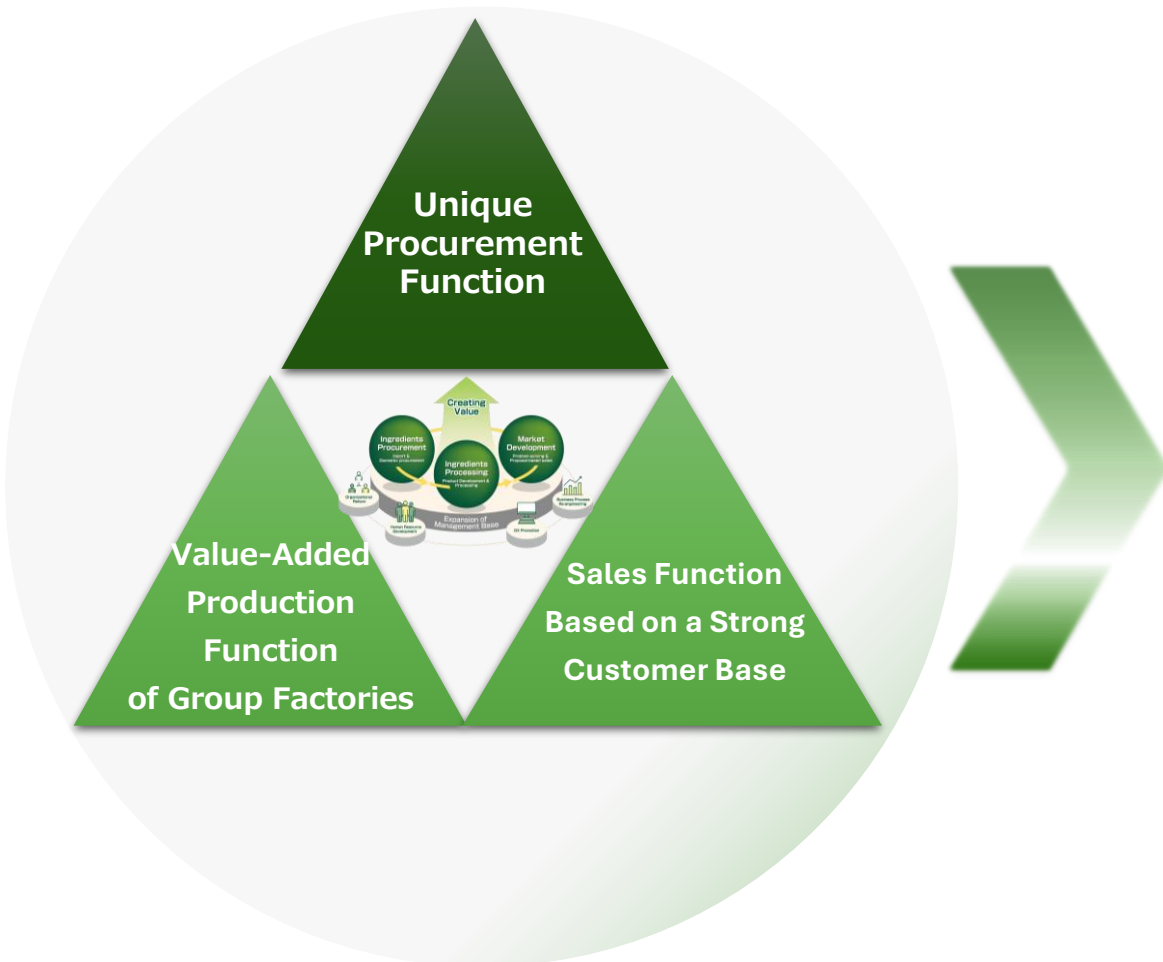
**Beyond ingredients,
creating New Value!**

By pursuing the possibilities of ingredients through passion for food and endless challenges, we aim to pave the way for people's enjoyment and a healthy future.



Sincere and challenging human resources who are enthusiastic about creating a food culture and employee who will support the future of **ShoEi Group!**

Our Business Characteristics and Strengths



Unique Procurement Function

- Dedicated product-specific purchasing managers and an extensive procurement system covering diverse overseas production regions.
- We continuously monitor local crop conditions to respond promptly to price volatility and stockout risks.
- We handle everything from import procurement, inventory management, and production management to sales, enabling comprehensive management of both volume and price.
- A broad procurement network supported by domestic and international supply chains built on strong relationships of trust and cooperation

Value-Added Production Function of Group Factories

- Differentiation through the manufacture of value-added products at 10 factories in Japan and overseas
- Ability to flexibly accommodate customer requests
- Implementation of proposal activities in which customers participate from the development stage
- An in-house quality assurance system providing safe and reliable ingredients under stringent quality control standards.

Sales Function Based on a Strong Customer Base

- Handles a broad range of food ingredients as a specialized food trading company, with a portfolio of over 1,000 products.
- A strong customer base cultivated over more than 120 years since the Company's founding.
- A resilient sales structure that ensures stable supply and mitigates market volatility by assuming inventory risk in-house.

Management Strategy and Measures – Overview **ShoEi**

Growth Strategy as a Food Specialty Trading Company

- Maintain and Expand Trade Areas
- Challenge New Fields
- Deepen Focus on Growth Areas
- Diversify Sourcing Risks

Growth Strategy as a Food Manufacturer

- Expand Growth Businesses
- Strengthen Production Capabilities
- Promote Rationalization
- Initiatives for Safety and Security

Expansion of Management Foundation

- Promote Digital Transformation (DX)
- Strengthen Human Capital Management
- Review Logistics Operations
- Enhance Corporate Governance
- Expand IR and PR Functions
- Promote Sustainability

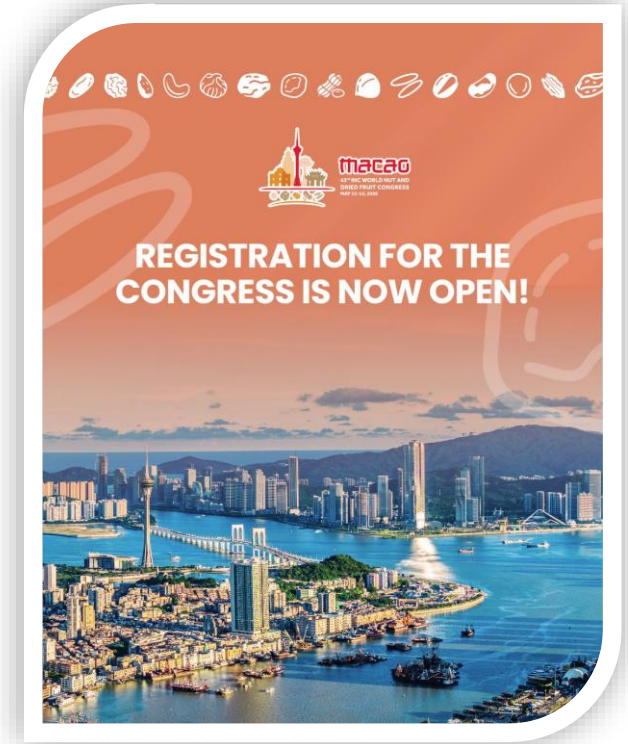
Growth Strategy as a Food Specialty Trading Company **ShoEi**

International Nut and Dried Fruit Council Annual general meeting

The 43rd Annual General Meeting of the International Nut and Dried Fruit Council was held in Macau, over three days from May 12 to 14, 2026. Approximately 1,300 people from more than 64 countries attended.

Our President and representative director, Hidemitsu Honda, serves as an executive member of the Council and participates in international information sharing and discussions regarding industry trends, sustainability, and quality standards.

This not only deepens our understanding of global market trends and sustainability issues but also strengthens our network with overseas suppliers and industry stakeholders. Through these efforts, we are working to enhance our raw material procurement capabilities and strengthen our sustainable and stable supply chain infrastructure.



- Diversify Sourcing Risks

Promoting supplier diversification



Establishing a multi-source purchasing system for imported raw materials



Turkish Hazelnuts: New Supplier Added



We have begun doing business with a new supplier of Turkish hazelnuts. The aims are to address market price volatility risks associated with crop fluctuations and to strengthen our stable supply system.

By diversifying our suppliers, we will strive to secure competitive raw material procurement and ensure a stable supply.

Expanding Our Product Lineup with the Introduction of Frozen Corn from China



In addition to the Thai-grown frozen corn we have always handled, we have recently begun offering frozen corn from China. Chinese frozen corn is not only highly price-competitive but also comes from a stable supply chain, which helps diversify our procurement risks.

We will continue to promote procurement from multiple origins to strengthen our stable supply system and improve our ability to adapt to changes in the market environment.

Growth Strategy as a Food Manufacturer

- Strengthen Production Capabilities

ShoEi

 Expanding our lineup of value-added products through enhanced development capabilities

Expanding the “Easy at Home” Series Potato Salad



The demand for time-saving solutions in everyday cooking continues to grow year after year. This product eliminates the hassle of peeling, boiling, and mashing potatoes, making cooking quick and easy. It's perfect for those times when you need one more side dish. As the latest addition to the series following “Easy Chocolate Banana at Home,” we aim to offer not only great taste but also “memories for parents and children” and “fun experiences at home.”



Easy Potato Salad at Home!
Product Mascot: Poteru-san



Concept

Easy to Make

Create Time for You & Your Family

Build a Future:
Time with Your Kids!



Growth Strategy as a Food Manufacturer

- Expand Growth Businesses



Developing proprietary processed products for growing markets

Unique Manufacturing Process × Moisture Control: Achieving Our Signature Softness

- We pack the product within 12 hours of removing the seeds. Through our proprietary manufacturing process and precise moisture control, we've achieved a distinctive "plump and moist" texture, offering a "new taste experience."
- Rich in dietary fiber and minerals, and made from natural, additive-free ingredients, this product offers new value by supporting "daily health habits" and "health and beauty" in the growing health food market.

POINT① Packaged within 12 hours of pitting

With typical products, pitting and processing such as drying and cooling—to ensure shelf life during transport to Japan—are performed at the overseas production site, followed by packaging in Japan.

In contrast, with this product, the entire process from pitting to packaging is carried out as a continuous operation at the overseas production site, making it possible to minimize damage to the fruit.

POINT② Thorough Moisture Control

- Agricultural products, including prunes, vary individually in terms of firmness and moisture content. In standard prune products, a manufacturing method is used that adds a fixed amount of water regardless of the raw material's condition.
- For this product, we measure the moisture content of the raw material every hour and adjust the water content based on that data to achieve optimal results. This precise moisture control ensures consistent taste and quality.



Growth Strategy as a Food Manufacturer

- Expand Growth Businesses



Strengthening and expanding sales of our leading products



Sakuyama Chocojiro
サクヤマチョコ次郎

is celebrating its 10th anniversary!

“Sakuyama Chocojiro” is produced at the Chikusei Plant of our group company, ShoEi Delicy Co., Ltd. Launched in 2017 as a product that leverages our unique capability to manufacture both chocolate and biscuits, it has since become a popular item loved by many fans!

A bite-sized chocolate biscuit combining milk-filled chocolate with a crispy biscuit

The biscuit side feature sprints of Chocojiro's catchphrases

The chocolate side features the facial expressions of the product's mascot, Chocojiro



- Chocolate
- Milk Cream
- Crispy Biscuits

Who is Chocojiro?

He is a gluttonous, strange creature who lives on Mount Chocodale. His catchphrase is to add “Cho” to the end of every sentence.



These are treats designed to bring both deliciousness and fun to your conversations!

Growth Strategy as a Food Manufacturer

- Expand Growth Businesses



Strengthening and expanding sales of our leading products

While the primary customer base for “Sakuyama Chocojiro” consists of women in their 30s and 40s, we launched the ‘Gummy’ and “Egg Bread (Plain/Maple)” products from the “Sakuyama Chocojiro Nanoni!?” series in March of this year, targeting Gen Z and children, with the aim of further expanding our customer base.



Nanoni!? Series
Now Available



On March 26 (Sakuyama Chocojiro Day), an event will be held to announce the Chocojiro and MyM collaboration track “LIL BIT”

To increase brand awareness, we have been utilizing social media (primarily X), and our follower count has reached 121,000 (as of April 30). As a result, the popularity of our characters is growing alongside that of our products.

We will continue to strive for further sales growth and increased brand awareness ♪



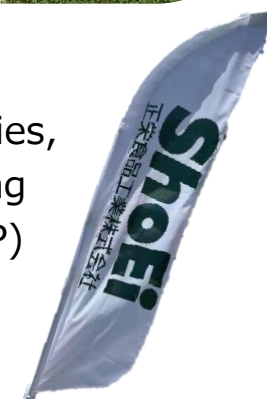
Sponsorship and Participation in WFP Walk the World 2026

Organized by the Certified NPO United Nations World Food Programme (WFP) Association (UN WFP Association), the charity event “Walk the World” was held on Sunday, May 10, 2026, in the Minato Mirai district of Yokohama, and our company participated and sponsored the event for the first time.

The event was a great success, with a total of 40 people in attendance, including employees and their families.



This charity event aims to end hunger among children in developing countries, and a portion of the participation fees will be donated to the “School Feeding Program” implemented by the United Nations World Food Programme (WFP) in developing countries.



This initiative aligns closely with our business operations in the food industry, and we will continue to engage in it as part of our social contribution activities.

“First Disaster Food Award 2026”

– Winner of the Excellence Award!

ShoEi

Our product, “Iron + Prune,” has received the Excellence Award in the Fruit, Confectionery, and Beverage category at the First Disaster Food Awards, organized by the Japan Food News.



This award supports companies and organizations working to develop and promote disaster relief food and related products that are “delicious, safe, and reliable,” and recognizes outstanding products that everyone can consume with confidence even during disasters.

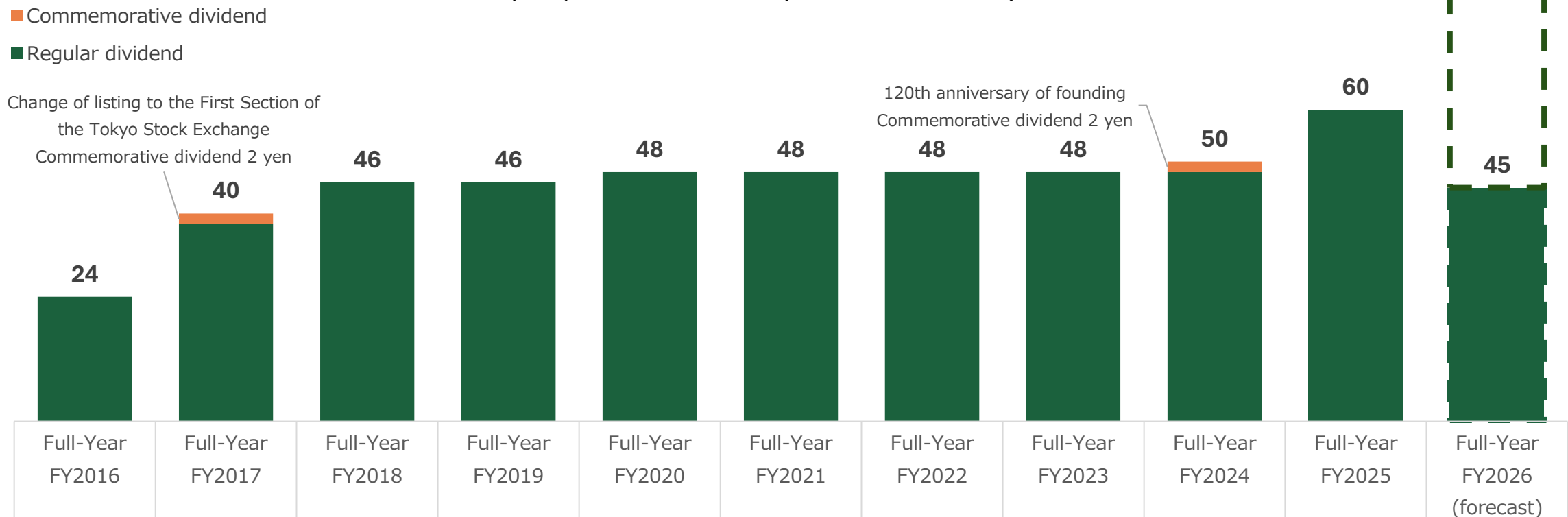
We will continue to contribute to your healthy lifestyle through products that harness the potential of prunes.



Shareholder Return Policy

- ◆ With regard to profit distribution, we regard returning profits to shareholders as a key management issue, and our basic policy is to maintain stable dividends. We also make comprehensive decisions based on factors such as business investment for achieving medium- to long-term growth and the level of internal reserves, and our basic policy is to pay dividends from retained earnings twice a year, as an interim dividend and a year-end dividend.

Dividend for the term ending October 2026 increased by 30 yen per share from the previous year. We plan to pay a dividend of 90 yen per share of common stock (45 yen per share for the interim dividend and 45 yen per share for the year-end dividend).



Cautionary Statement Regarding Forward-Looking Statements



This document is intended solely to provide information to investors and is not intended as a solicitation to buy or sell. The forward-looking statements in this document are based on targets and forecasts and do not constitute a guarantee or assurance. Please be aware that the Company's actual results in the future may differ from the current forward-looking statements.

Furthermore, although the descriptions of the industry, etc. are prepared based on various data that are considered to be reliable, the Company does not guarantee their accuracy or completeness.

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