Supplementary Materials:
Financial Results for the Six Months Ended June 30, 2026

July 31, 2026

Kanro Inc.

(TSE: 2216)

Index

“Q2” refers to the period from April to June, “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

	FY2025					FY2026					FY2025 1H vs. FY2026 1H	
	Non-consolidated			Consolidated		Consolidated					YoY	YoY%
	Q 1	Q 2	Q 3	Q 4	Full year	Q 1	Q 2	Q 3	Q 4	Full year (Forecast)		
Net sales	8,205	8,520	7,667	10,378	34,771	8,710	8,744			36,500	729	4.4%
Hard candy	4,263	3,766	3,320	5,749	17,099	4,486	3,954			-	411	5.1%
Gummies *1	3,764	4,507	4,115	4,472	16,860	4,090	4,600			-	419	5.1%
Healthy snacks	173	244	227	153	799	131	188			-	(98)	(23.6)%
Other *2	3	2	3	3	13	2	1			-	(2)	(37.1)%
Cost of sales	4,674	4,896	4,552	5,950	20,074	4,917	5,247			21,700	594	6.2%
Cost of sales margin (%)	57.0	57.5	59.4	57.3	57.7	56.5	60.0			59.5	-	1.0pt
Gross profit	3,531	3,623	3,114	4,427	14,697	3,793	3,496			14,800	134	1.9%
Gross profit margin (%)	43.0	42.5	40.6	42.7	42.3	43.5	40.0			40.5	-	(1.0)pt
Operating profit	1,397	1,266	677	1,349	4,691	1,399	746			4,200	(518)	(19.4)%
Operating profit margin (%)	17.0	14.9	8.8	13.0	13.5	16.1	8.5			11.5	-	(3.6)pt
Ordinary profit	1,407	1,272	701	1,365	4,746	1,407	752			4,200	(519)	(19.4)%
Profit (Profit attributable to owners of parent)	993	881	492	1,011	3,378	993	561			3,000	(319)	(17.1)%

*1 The data is included marshmallow products.

*2 “Other” refers to miscellaneous products other than foods.

1H/2H

Unit: Million yen

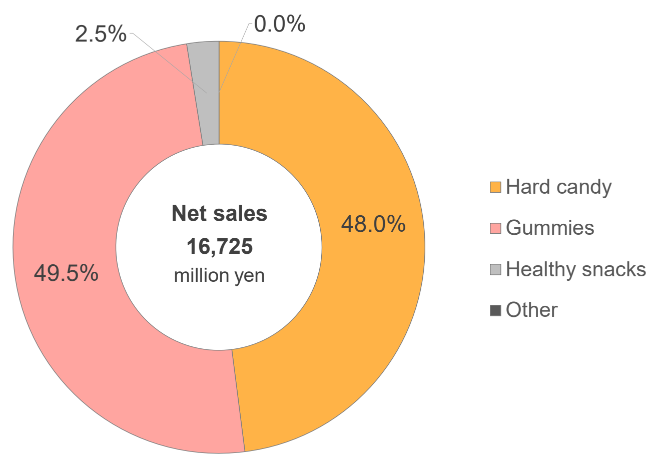
	FY2025 (Actual)			FY2026			FY2025 vs. FY2026	
	Non-consolidated	Consolidated		Consolidated			1H (YoY%)	2H (YoY%)
	1H	2H	Full year	1H (Actual)	2H (Forecast)	Full year		
Net sales	16,725	18,046	34,771	17,454	19,046	36,500	4.4%	5.5%
Gross profit	7,154	7,542	14,697	7,289	7,511	14,800	1.9%	(0.4)%
Gross profit margin (%)	42.8	41.8	42.3	41.8	39.4	40.5	(1.0)pt	(2.4)pt
Operating profit	2,664	2,027	4,691	2,146	2,054	4,200	(19.4)%	1.3%
Operating profit margin (%)	15.9	11.2	13.5	12.3	10.8	11.5	(3.6)pt	(0.4)pt
Ordinary profit	2,679	2,067	4,746	2,159	2,041	4,200	(19.4)%	(1.3)%
Profit (Profit attributable to owners of parent)	1,874	1,504	3,378	1,554	1,446	3,000	(17.1)%	(3.9)%

*1 Results and forecast for the second half represent simple differences. Starting from Q4, the second-half forecast will reflect consolidated profit and loss figures.

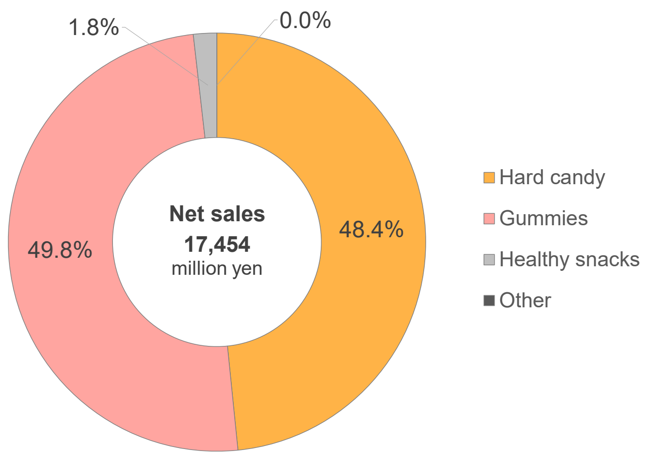
*2 Consolidated financial statements began at the end of the fiscal year ended December 31, 2025.

Composition of Net sales Jan. to Jun.

FY2025 1H (Non-consolidated)



FY2026 1H (Consolidated)



(Supplementary Materials 2)【Statements of Income】

Unit: Million yen

	FY2025 Q2 (Non-consolidated)		FY2026 Q2 (Consolidated)		FY2025 Q2 vs. FY2026 Q2	
	Amount	%	Amount	%	YoY	YoY%
Net sales	**16,725**	100.0%	**17,454**	100.0%	**729**	4.4%
Cost of sales	9,570	57.2%	10,165	58.2%	594	6.2%
Gross profit	**7,154**	42.8%	**7,289**	41.8%	**134**	1.9%
Freight and storage costs	971	5.8%	1,135	6.5%	164	16.9%
Advertising expenses	292	1.7%	535	3.1%	243	83.4%
Other selling expenses	177	1.1%	198	1.1%	21	12.1%
Total selling expenses	1,440	8.6%	1,870	10.7%	429	29.8%
Personnel expenses	1,980	11.8%	2,057	11.8%	77	3.9%
Other expenses	1,069	6.4%	1,215	7.0%	145	13.6%
General and administrative expenses	3,050	18.2%	3,273	18.8%	222	7.3%
Selling, general and administrative expenses	4,490	26.8%	5,143	29.5%	652	14.5%
Operating profit	**2,664**	15.9%	**2,146**	12.3%	**(518)**	(19.4)%
Non-operating income	19	0.1%	24	0.1%	5	26.1%
Non-operating expenses	4	0.0%	10	0.1%	6	147.3%
Non-operating income and expenses	15	0.1%	13	0.1%	(1)	(7.8)%
Ordinary profit	**2,679**	16.0%	**2,159**	12.4%	**(519)**	(19.4)%
Gain on sale of investment securities	-	-	148	0.9%	148	-
Extraordinary income	-	-	148	0.9%	148	-
Loss on retirement of non-current assets	2	0.0%	2	0.0%	0	23.1%
Impairment losses	21	0.1%	91	0.5%	69	322.6%
Extraordinary losses	23	0.1%	93	0.5%	69	295.7%
Extraordinary income and losses	(23)	-	54	0.3%	78	-
Profit before income taxes	2,655	15.9%	2,214	12.7%	(440)	(16.6)%
Total income taxes	780	4.7%	659	3.8%	(121)	(15.5)%
Profit (Profit attributable to owners of parent)	**1,874**	11.2%	**1,554**	8.9%	**(319)**	(17.1)%

* Consolidated financial statements began at the end of the fiscal year ended December 31, 2025.
The impact of the financial results of Kanro America Inc. on the consolidated financial results is immaterial, and therefore the amount of increase / decrease and the rate of increase / decrease from the non-consolidated financial results for six months ended June 30, 2025 are stated in the "Year-on-year change" section.

(Supplementary Materials 3)【Financial Indicators FY2022－FY2026/Forecast】

(FY2026 figures forecast; all others actual)

			Non-consolidated			Consolidated	Consolidated forecast
Fiscal Year		Unit	FY2022	FY2023	FY2024	FY2025	FY2026
Net sales		million yen	25,118	29,015	31,778	34,771	**36,500**
Net sales YoY		%	16.3	15.5	9.5	9.4	**5.0**
Gross profit		million yen	9,674	11,738	13,186	14,697	-
Gross profit margin		%	38.5	40.5	41.5	42.3	-
Operating profit		million yen	1,933	3,388	4,284	4,691	**4,200**
Operating profit margin		%	7.7	11.7	13.5	13.5	**11.5**
EBITDA	*1	million yen	3,080	4,599	5,787	6,299	**5,854**
Ordinary profit		million yen	2,001	3,432	4,315	4,746	**4,200**
Profit (Profit attributable to owners of parent)		million yen	1,346	2,462	3,260	3,378	**3,000**
Profit YoY (Profit attributable to owners of parent YoY)		%	53.2	82.9	32.4	3.6	**(11.2)**
Net assets		million yen	12,555	14,533	16,831	18,984	-
Total assets		million yen	22,315	25,839	29,105	33,607	-
Equity ratio		%	56.3	56.2	57.8	56.5	-
Net assets per share	*2	yen	301.74	347.98	399.42	450.54	-
Basic earnings per share	*2	yen	32.03	59.03	77.52	80.18	**71.12**
ROA	*3	%	6.2	10.2	11.9	10.8	-
ROIC	*3	%	10.9	18.2	20.5	18.3	**13.2**
ROE	*3	%	11.1	18.2	20.8	18.9	**15.2**
PER		times	11.5	11.7	15.3	20.7	-
PBR		times	1.22	1.99	2.97	3.68	-
Cash flows from operating activities		million yen	2,373	3,935	4,398	5,053	-
Cash flows from investing activities		million yen	(1,116)	(1,839)	(2,169)	(5,248)	-
Cash flows from financing activities		million yen	(1,106)	(585)	(1,009)	(526)	-
Cash and cash equivalents at end of period		million yen	2,250	3,761	4,981	4,261	-
Number of employees		persons	608	639	678	705	-
Average number of temporary employees excluded from the number of employees		persons	(141)	(149)	(162)	(154)	-
Capital investment		million yen	1,052	1,856	2,950	4,980	**9,261**
Depreciation		million yen	1,149	1,216	1,508	1,613	**1,654**
Research and development expenses		million yen	755	771	786	839	-
Total number of issued shares at the end of the period (not including treasury shares)	*2	number of shares	41,608,284	41,766,303	42,139,314	42,138,332	-
Dividends per share	*2	yen	10.50	19.33	31.00	32.00	**33.00**
Payout ratio		%	32.8	32.8	40.0	39.9	**46.4**

*1: EBITDA = Operating profit + Depreciation

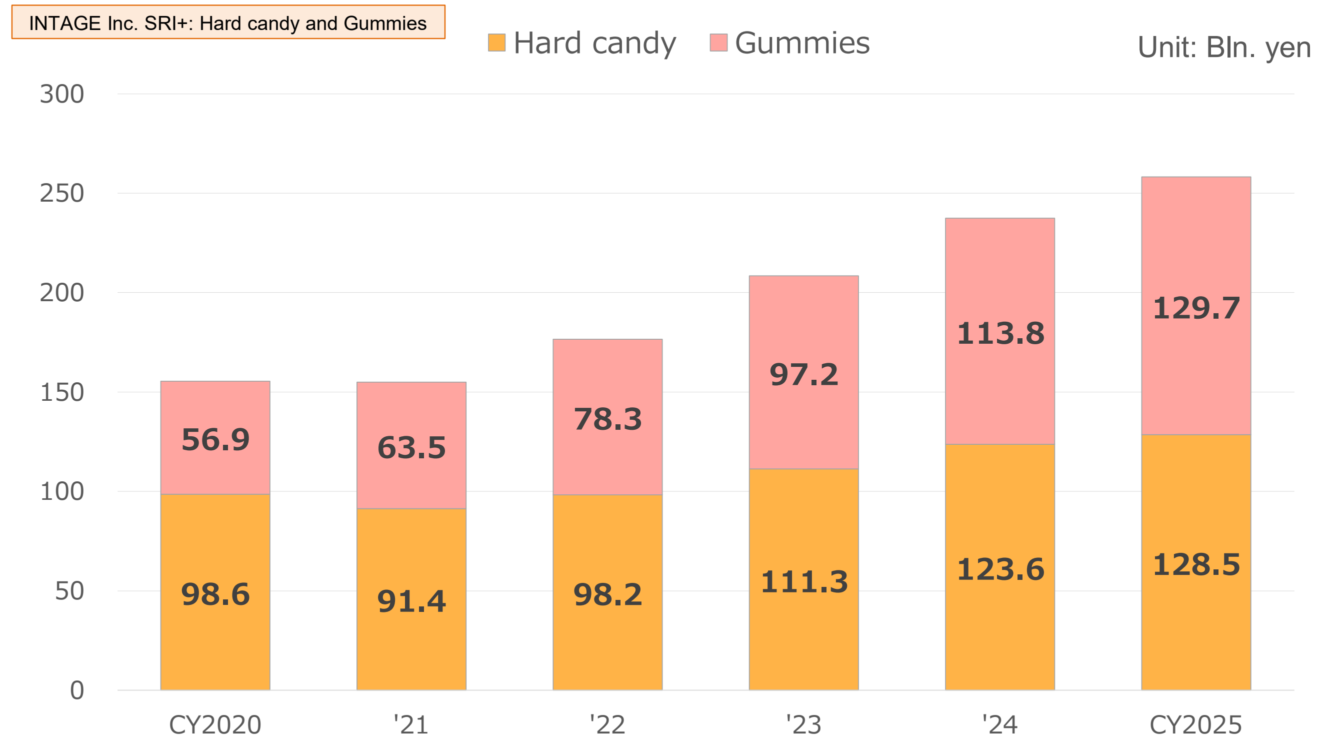
*2: Kanro conducted a share split of its common stock at a ratio of two shares for every one share effective as of July 1, 2022 and at a ratio of three shares for every one share effective as of July 1, 2025. Dividends per share, net assets per share, basic earnings per share, and total number of issued shares at the end of the period (not including treasury shares) have been calculated on the assumption that these share splits were conducted at the beginning of the fiscal year ended December 31, 2022.

*3: ROA = Profit (Profit attributable to owners of parent) / 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 (Profit attributable to owners of parent) / Average of net assets at beginning and end of period

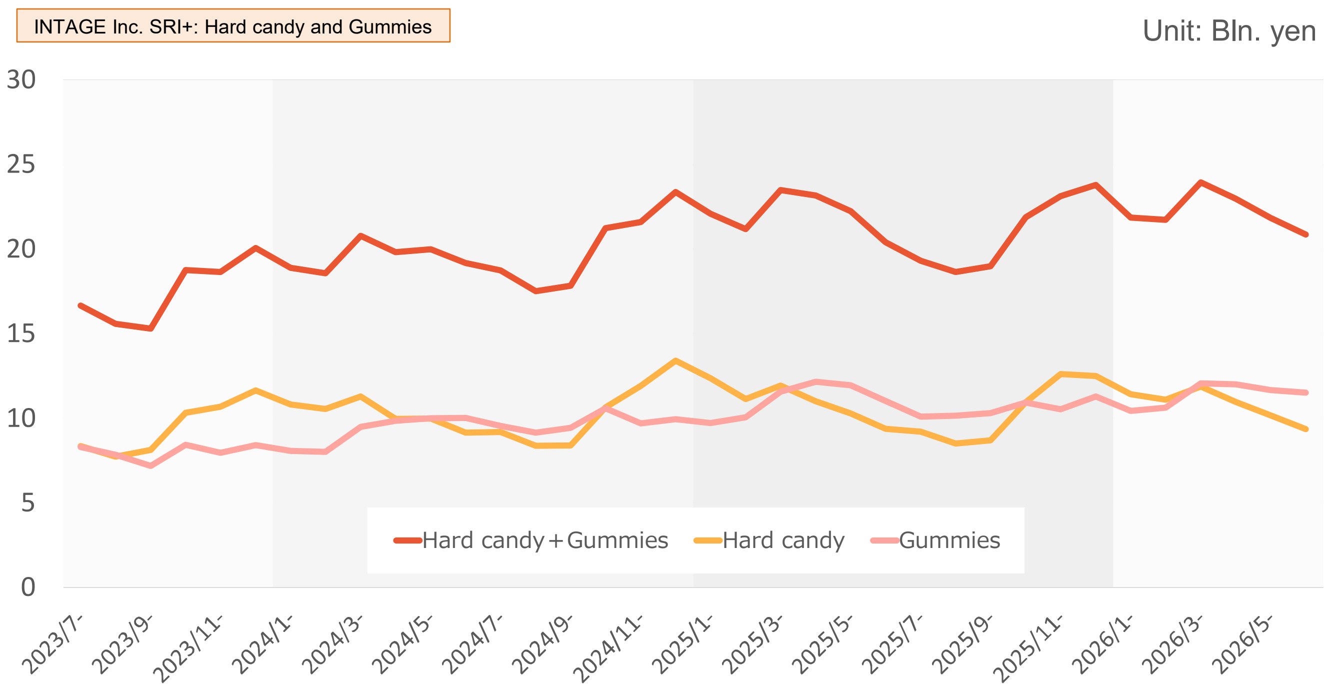
(Supplementary Materials 4)【Market Trends】

*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 Jun. (YoY%)

Unit: Bln. yen (Whole Market); Unit: Bln. yen (Kanro)

	Whole Market		YoY%	Kanro		YoY%
	Jan.- Jun. /2025	Jan.- Jun. /2026		Jan.- Jun. /2025	Jan.- Jun. /2026	
Hard candy	**66.1**	**64.9**	(1.8)%	**12.9**	**13.8**	6.8%
Gummies	**66.5**	**68.3**	2.8%	**9.8**	**10.3**	5.3%
Total	**132.5**	**133.2**	0.5%	**22.7**	**24.1**	6.2%

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

Sweeten the Future

Kanro

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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.

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