Non-consolidated Financial Results
for the First Three Months
of the Fiscal Year Ending March 31, 2027
<under Japanese GAAP>

August 3, 2026

Company name: PALTAC CORPORATION
(URL: https://www.paltac.co.jp/)
Listing: Tokyo Stock Exchange (Code number: 8283)
Representative: Representative Director, President
Takuya Yoshida
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Scheduled date to commence dividend payments: –
Preparation of supplementary material on quarterly financial results: Yes
Holding of quarterly financial results presentation meeting: No

(Figures are rounded down to the nearest million yen)

1. Financial Results for the First Three Months of the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to June 30, 2026)

(1) Operating Results (% increase figures indicate year-on-year change)

	Net sales		Operating profit		Ordinary profit		Profit	
Three months ended	(¥ million)	%	(¥ million)	%	(¥ million)	%	(¥ million)	%
June 30, 2026	326,927	3.4	6,134	(19.5)	7,158	(16.0)	4,784	(23.3)
June 30, 2025	316,047	4.3	7,623	2.6	8,519	2.6	6,240	2.7

	Earnings per share	Diluted earnings per share
Three months ended	(¥)	(¥)
June 30, 2026	78.86	–
June 30, 2025	101.18	–

(2) Financial Position

	Total assets	Net assets	Equity ratio	Net assets per share
As of	(¥ million)	(¥ million)	%	(¥)
June 30, 2026	526,210	300,028	57.0	4,948.44
March 31, 2026	532,171	301,738	56.7	4,963.27

Reference: Equity As of June 30, 2026: ¥300,028 million As of March 31, 2026: ¥301,738 million

2. Dividends

	Annual dividends per share				
	First quarter	Second quarter	Third quarter	Year-end	Total
	(¥)	(¥)	(¥)	(¥)	(¥)
Fiscal year ended March 31, 2026	–	57.00	–	63.00	120.00
Fiscal year ending March 31, 2027	–				
Fiscal year ending March 31, 2027 (Forecast)		0.00	–	0.00	0.00

Note: Revision to the forecasts most recently announced: No

As announced on May 11, 2026 in "Notice Concerning Expression of Opinion in Support of, and Recommendation of Tendering in, the Tender Offer for the Company Shares by MEDIPAL HOLDINGS CORPORATION, the Company's Parent Company" and "Notice Concerning Dividends of Surplus (No Dividend)," the Company has resolved not to pay interim and year-end dividends for the fiscal year ending March 31, 2027. This decision reflects the fact that, following the tender offer for the Company's common stock ("the Company's shares") by MEDIPAL HOLDINGS CORPORATION and a series of subsequent procedures, the Company's shares are expected to be delisted.

3. Forecasts of Financial Results for the Fiscal Year Ending March 31, 2027 (From April 1, 2026 to March 31, 2027)

As announced on May 11, 2026 in "Notice Concerning Expression of Opinion in Support of, and Recommendation of Tendering in, the Tender Offer for the Company Shares by MEDIPAL HOLDINGS CORPORATION, the Company's Parent Company," the Company has not disclosed its earnings forecasts for the fiscal year ending March 31, 2027, in view of the fact that, following the tender offer for the Company's shares by MEDIPAL HOLDINGS CORPORATION and a series of subsequent procedures, the Company's shares are expected to be delisted.

*** Notes**

(1) Adoption of Accounting Treatments Specific to Preparation of Quarterly Financial Statements: No

(2) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements

1) Changes in accounting policies due to revisions to accounting standards, and other regulations: No
2) Changes in accounting policies due to other reasons: No
3) Changes in accounting estimates: No
4) Restatements: No

(3) Number of Issued Shares (common stock)

1) Number of issued shares at the end of the period (including treasury shares)

As of June 30, 2026	62,000,000 shares
As of March 31, 2026	62,000,000 shares

2) Number of treasury shares at the end of the period

As of June 30, 2026	1,369,126 shares
As of March 31, 2026	1,205,776 shares

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

For the three months ended June 30, 2026	60,672,434 shares
For the three months ended June 30, 2025	61,676,089 shares

(Notes)
Based on a decision by the Board of Directors on August 4, 2025, the Company purchased 163,300 treasury shares.

* Review of the Japanese-language originals of the attached quarterly financial statements by certified public accountants or an audit firm: Yes (voluntary)

* Information regarding proper use of the forecasts of financial results, and other special instructions
(Cautionary notes to the forward-looking statements)
As announced on May 11, 2026 in “Notice Concerning Expression of Opinion in Support of, and Recommendation of Tendering in, the Tender Offer for the Company Shares by MEDIPAL HOLDINGS CORPORATION, the Company’s Parent Company,” the Company has not disclosed its earnings forecasts for the fiscal year ending March 31, 2027, in view of the fact that, following the tender offer for the Company’s shares by MEDIPAL HOLDINGS CORPORATION and a series of subsequent procedures, the Company’s shares are expected to be delisted.

* How to access the presentation material for this quarterly financial results
Presentation (Presentation Material for this financial results) is posted on the Company’s website (https://www.paltac.co.jp/en/ir/).

* Information regarding this report (including the attached material)

Attached Material

Contents

1. Financial Results Information for the Three Months Ended June 30, 2026

(1) Operating Results

〔Business conditions〕

In the three months ended June 30, 2026, the business environment remained challenging overall.
While improvements were seen in the employment and income situation and the number of inbound tourists remained at a high level, concerns over the domestic economic outlook persisted due to factors such as continued consumer thrift and the impact of the situation in the Middle East. As a result, personal consumption continued to lack strength. In addition, labor shortages led to a continuous rise in business operation costs, including logistics expenses.

〔Net sales〕

Net sales increased by ¥10,879 million (up 3.4%) year on year to ¥326,927 million.

・Despite the impact of consumer thrift, the Company expanded its designated wholesaler portfolio and conducted sales activities utilizing purchasing data to accurately capture changes in consumer behavior, such as growing health consciousness and increased demand for going out. Furthermore, the Company expanded its lineup of high value-added newly handled products, particularly cosmetics. As a result of these efforts, sales volume remained on par with the previous year, and the increase in unit prices led to net sales exceeding the level of the same period in the previous year.

〔Operating profit〕

Operating profit decreased by ¥1,488 million (down 19.5%) year on year to ¥6,134 million.

・In addition to a decline in gross profit resulting from an increase in rebates and center fees paid to customers, personnel and logistics costs increased, along with repair expenses and costs associated with the operation of externally leased distribution centers. As a result, operating profit fell below the level of the same period in the previous year.

Results highlights for the three months ended June 30, 2026 are as follows:

(Millions of yen, unless otherwise noted)

	Three months ended June 30, 2025	Three months ended June 30, 2026	Change	
			Amount	Rate (%)
Net sales	316,047	326,927	10,879	3.4
Gross profit [Gross profit margin (%)]	23,686 [7.49]	23,500 [7.19]	-185 [-0.30]	-0.8
SG&A expenses [SG&A expenses ratio (%)]	16,062 [5.08]	17,366 [5.31]	1,303 [0.23]	8.1
Operating profit [Operating profit ratio (%)]	7,623 [2.41]	6,134 [1.88]	-1,488 [-0.53]	-19.5
Ordinary profit [Ordinary profit ratio (%)]	8,519 [2.70]	7,158 [2.19]	-1,360 [-0.51]	-16.0
Profit [Profit margin (%)]	6,240 [1.97]	4,784 [1.46]	-1,455 [-0.51]	-23.3

Sales highlights

Sales results for the three months ended June 30, 2026 by product category are as follows:

(Millions of yen, unless otherwise noted)

Product category	Three months ended June 30, 2025	Three months ended June 30, 2026	Change	
			Amount	Rate (%)
Cosmetics	75,925	79,693	3,767	5.0
Daily necessities	144,566	150,428	5,861	4.1
OTC pharmaceuticals	35,639	34,942	-697	-2.0
Health and sanitary related products	54,786	56,846	2,059	3.8
Others	5,128	5,016	-111	-2.2
Total	316,047	326,927	10,879	3.4

Sales results for the three months ended June 30, 2026 by customer category are as follows:

(Millions of yen, unless otherwise noted)

Customer category	Three months ended June 30, 2025	Three months ended June 30, 2026	Change	
			Amount	Rate (%)
Drugstores (Pharmacies)	206,626	211,090	4,463	2.2
Discount stores	28,203	31,004	2,801	9.9
Convenience stores	25,236	26,856	1,619	6.4
Home centers (DIY stores)	23,613	23,950	337	1.4
Supermarkets	13,531	14,141	610	4.5
General merchandising stores	10,803	11,826	1,023	9.5
Export, EC business and others	8,032	8,055	23	0.3
Total	316,047	326,927	10,879	3.4

As the Company has one reportable segment, disclosure by segment information has been omitted.

(2) Financial Position

1) Assets, liabilities and net assets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026	Change in amount
Total assets	532,171	526,210	(5,960)
Total liabilities	230,433	226,182	(4,251)
Net assets	301,738	300,028	(1,709)

(Assets)
Total assets as of the end of the first quarter were ¥526,210 million, a decrease of ¥5,960 million from the end of the previous fiscal year. This was primarily the result of a decrease in cash and deposits and increases in notes and accounts receivable-trade and in merchandise and finished goods.

(Liabilities)
Total liabilities as of the end of the first quarter were ¥226,182 million, a decrease of ¥4,251 million from the end of the previous fiscal year. This was primarily the result of increases in notes and accounts payable-trade and in provision for bonuses and a decrease in income taxes payable.

(Net assets)
Net assets as of the end of the first quarter were ¥300,028 million, a decrease of ¥1,709 million from the end of the previous fiscal year. This was primarily the result of an increase in retained earnings and a decrease in valuation difference on available-for-sale securities.

2) Cash flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities	(5,996)	(11,520)
Cash flows from investing activities	(427)	(3,004)
Cash flows from financing activities	(3,414)	(4,637)

(Cash flows from operating activities)
Net cash used in operating activities was ¥11,520 million. Main factors were an increase in notes and accounts receivable-trade and income taxes paid.

(Cash flows from investing activities)
Net cash used in investing activities was ¥3,004 million. Main factor was purchase of property, plant and equipment.

(Cash flows from financing activities)
Net cash used in financing activities was ¥4,637 million. Main factor was cash dividends paid.

Cash and cash equivalents as of the end of the first quarter were ¥64,120 million, a decrease of ¥19,162 million from the end of the previous fiscal year.

(3) Forecasts and Other Projections

As announced on May 11, 2026 in “Notice Concerning Expression of Opinion in Support of, and Recommendation of Tendering in, the Tender Offer for the Company Shares by MEDIPAL HOLDINGS CORPORATION, the Company’s Parent Company,” the Company has not disclosed its earnings forecasts for the fiscal year ending March 31, 2027, in view of the fact that, following the tender offer for the Company’s shares by MEDIPAL HOLDINGS CORPORATION and a series of subsequent procedures, the Company’s shares are expected to be delisted.

2. Quarterly Financial Statements and Notes to Quarterly Financial Statements

(1) Quarterly Balance Sheets

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Assets		
Current assets		
Cash and deposits	83,282	64,120
Notes and accounts receivable - trade	229,116	243,020
Merchandise and finished goods	54,179	56,893
Other	23,804	21,419
Allowance for doubtful accounts	(3)	(4)
Total current assets	390,379	385,450
Non-current assets		
Property, plant and equipment		
Buildings, net	42,848	42,385
Land	46,748	46,484
Other, net	19,679	21,893
Total property, plant and equipment	109,275	110,763
Intangible assets	734	712
Investments and other assets		
Investments and other assets	31,785	29,287
Allowance for doubtful accounts	(3)	(3)
Total investments and other assets	31,782	29,284
Total non-current assets	141,792	140,760
Total assets	532,171	526,210
Liabilities		
Current liabilities		
Notes and accounts payable - trade	178,826	180,082
Income taxes payable	5,493	2,280
Provision for bonuses	1,626	2,521
Other	32,546	30,071
Total current liabilities	218,493	214,955
Non-current liabilities		
Provision for retirement benefits	3,208	3,222
Other	8,731	8,004
Total non-current liabilities	11,940	11,226
Total liabilities	230,433	226,182

(Millions of yen)

	As of March 31, 2026	As of June 30, 2026
Net assets		
Shareholders' equity		
Share capital	15,869	15,869
Capital surplus	20,741	20,741
Retained earnings	255,531	256,486
Treasury shares	(5,527)	(6,297)
Total shareholders' equity	286,615	286,800
Valuation and translation adjustments		
Valuation difference on available-for-sale securities	15,103	13,221
Deferred gains or losses on hedges	18	5
Total valuation and translation adjustments	15,122	13,227
Total net assets	301,738	300,028
Total liabilities and net assets	532,171	526,210

(2) Quarterly Statements of Income

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net sales	316,047	326,927
Cost of sales	292,361	303,426
Gross profit	23,686	23,500
Selling, general and administrative expenses	16,062	17,366
Operating profit	7,623	6,134
Non-operating income		
Dividend income	182	191
Research fee income	492	498
Rental income from real estate	42	40
Other	191	325
Total non-operating income	909	1,055
Non-operating expenses		
Interest expenses	1	2
Rental expenses on real estate	8	8
Commission for purchase of treasury shares	－	17
Other	2	3
Total non-operating expenses	12	30
Ordinary profit	8,519	7,158
Extraordinary income		
Gain on sale of non-current assets	－	3
Gain on sale of investment securities	－	0
Insurance claim income	478	－
Total extraordinary income	478	3
Extraordinary losses		
Loss on retirement of non-current assets	1	11
Tender offer-related expenses	－	149
Total extraordinary losses	1	161
Profit before income taxes	8,996	7,000
Income taxes - current	2,717	2,064
Income taxes - deferred	39	151
Total income taxes	2,756	2,215
Profit	6,240	4,784

(3) Quarterly Statements of Cash Flows

(Millions of yen)

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	8,996	7,000
Depreciation	1,569	1,612
Increase (decrease) in allowance for doubtful accounts	0	0
Increase (decrease) in provision for bonuses	920	895
Increase (decrease) in provision for retirement benefits	(13)	(67)
Interest and dividend income	(182)	(195)
Interest expenses	1	2
Loss (gain) on sale of investment securities	—	(0)
Insurance claim income	(478)	—
Decrease (increase) in trade receivables	(15,829)	(13,904)
Decrease (increase) in inventories	(2,699)	(2,714)
Increase (decrease) in trade payables	5,851	1,256
Increase (decrease) in accrued consumption taxes	954	619
Other, net	(938)	(1,186)
Subtotal	(1,848)	(6,681)
Interest and dividends received	182	191
Interest paid	(0)	—
Proceeds from insurance income	478	—
Income taxes paid	(4,809)	(5,030)
Net cash provided by (used in) operating activities	(5,996)	(11,520)
Cash flows from investing activities		
Purchase of property, plant and equipment	(312)	(2,983)
Proceeds from sale of property, plant and equipment	—	267
Purchase of intangible assets	(50)	(42)
Purchase of investment securities	(33)	(29)
Proceeds from sale of investment securities	—	0
Other, net	(30)	(216)
Net cash provided by (used in) investing activities	(427)	(3,004)
Cash flows from financing activities		
Repayments of lease liabilities	(27)	(41)
Dividends paid	(3,387)	(3,825)
Purchase of treasury shares	—	(769)
Net cash provided by (used in) financing activities	(3,414)	(4,637)
Net increase (decrease) in cash and cash equivalents	(9,838)	(19,162)
Cash and cash equivalents at beginning of period	69,916	83,282
Cash and cash equivalents at end of period	※ 60,078	※ 64,120

(4) Notes to Quarterly Financial Statements

(Notes on premise of going concern)
No items to report

(Notes on significant changes in the amount of shareholders' equity)
(Acquisition of treasury shares)
Based on a decision by the Board of Directors on August 4, 2025, the Company purchased treasury shares of 163,300 shares. As a result, treasury shares increased by ¥769 million during the three months ended June 30, 2026.

(Notes on quarterly statements of cash flows)
* Reconciliation of cash and cash equivalents to those in the quarterly balance sheets

	Three months ended June 30, 2025	Three months ended June 30, 2026
Cash and deposits	60,078 million yen	64,120 million yen
Time deposits with a deposit period of over three months	–	–
Cash and cash equivalents	60,078	64,120

(Notes on changes in equity)
I. Three months ended June 30, 2025
Dividends paid

Resolution	Class of shares	Total dividend amount (Millions of yen)	Dividend per share (Yen)	Record date	Effective date	Sources for dividends
Board of Directors meeting held on May 12, 2025	Common stock	3,392	55	March 31, 2025	June 2, 2025	Retained earnings

II. Three months ended June 30, 2026
Dividends paid

Resolution	Class of shares	Total dividend amount (Millions of yen)	Dividend per share (Yen)	Record date	Effective date	Sources for dividends
Board of Directors meeting held on May 11, 2026	Common stock	3,830	63	March 31, 2026	June 1, 2026	Retained earnings

(Segment information)

I. Three months ended June 30, 2025

Information on "a. Segment information" was omitted since the Company's reportable segment is single segment of the "wholesale business."

II. Three months ended June 30, 2026

Information on "a. Segment information" was omitted since the Company's reportable segment is single segment of the "wholesale business."

(Revenue recognition)

The disaggregation of revenue recognized from contracts with customers

Sales results by product category are as follows:

Product category	Three months ended June 30, 2025	Three months ended June 30, 2026
	Amount (Millions of yen)	Amount (Millions of yen)
Cosmetics	75,925	79,693
Daily necessities	144,566	150,428
OTC pharmaceuticals	35,639	34,942
Health and sanitary related products	54,786	56,846
Others	5,128	5,016
Total sales	316,047	326,927

Sales results by customer category are as follows:

Customer category	Three months ended June 30, 2025	Three months ended June 30, 2026
	Amount (Millions of yen)	Amount (Millions of yen)
Drugstores (Pharmacies)	206,626	211,090
Discount stores	28,203	31,004
Convenience stores	25,236	26,856
Home centers (DIY stores)	23,613	23,950
Supermarkets	13,531	14,141
General merchandising stores	10,803	11,826
Export, EC-business and others	8,032	8,055
Total sales	316,047	326,927

Note: There is no revenue resulting from other resources of revenue.

(Per share information)

Net income per share and the basis for calculation of the net income per share amounts are as follows:

	Three months ended June 30, 2025	Three months ended June 30, 2026
Net income per share	101.18 yen	78.86 yen
(The basis for calculation)		
Profit (Millions of yen)	6,240	4,784
Amount not attributable to common stock (Millions of yen)	–	–
Profit attributable to common stock (Millions of yen)	6,240	4,784
Average number of shares during the period (thousands of shares)	61,676	60,672

Note: Diluted earnings per share is not disclosed, as there are no residual shares having a dilution effect.

(Significant subsequent event)

(Regarding the tender offer for shares of the Company by MEDIPAL HOLDINGS CORPORATION)

The Company resolved, at a meeting of its Board of Directors held on May 11, 2026, to express its support for the tender offer for the Company's shares (the "Tender Offer") to be conducted by its controlling shareholder (parent company), MEDIPAL HOLDINGS CORPORATION (the "Tender Offeror"), and, at the same time, to recommend that the Company's shareholders tender their shares in the Tender Offer.

The Tender Offer was conducted from May 12, 2026 to July 7, 2026. As a result, on July 14, 2026, the commencement date of settlement of the Tender Offer, the Tender Offeror acquired 24,466,104 shares of the Company and came to hold 56,319,589 shares of the Company (ownership percentage: 92.64%), thereby becoming the Company's special controlling shareholder as provided for in Article 179, Paragraph 1 of the Companies Act.

As the Tender Offeror came to hold 90% or more of the voting rights of all shareholders of the Company, on July 15, 2026, the Company received a notice from the Tender Offeror regarding its demand, pursuant to Article 179, Paragraph 1 of the Companies Act, that all shareholders of the Company (excluding the Tender Offeror and the Company) sell all of their shares of the Company to the Tender Offeror (the "Demand for Share Cash-Out"), as part of a transaction to acquire all shares of the Company (excluding treasury shares held by the Company) and make the Company a wholly owned subsidiary of the Tender Offeror. At a meeting of its Board of Directors held on the same day, the Company resolved to approve the Demand for Share Cash-Out.

In addition, as a result of the approval of the Demand for Share Cash-Out, the Company's shares came to fall under the delisting criteria of the Tokyo Stock Exchange. The Company's shares will be designated as securities to be delisted from July 15, 2026 to August 9, 2026, and are scheduled to be delisted on August 10, 2026. After the delisting, the Company's shares will no longer be tradable on the Prime Market of the Tokyo Stock Exchange.