August 14, 2026

Summary of the Consolidated Financial Results for the Six Months Ended June 30, 2026 (Half-year) (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
Inquiries: Yasushi Mutoh, Managing Director, Head of Management Administration Headquarters
Telephone: +81-3-3553-8170

Scheduled date to file semi-annual securities report: August 14, 2026
Scheduled date for payment of dividends: -
Supplemental material for quarterly results: Yes
Briefing for quarterly results: Yes (for institutional investors and analysts)

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

1. Consolidated financial results for the six months ended June 30, 2026 (from January 1, 2026 to June 30, 2026) (Half-year)

(1) Consolidated Financial Results (cumulative)

(Percentages (%) indicate changes from the same period of the previous year.)

	Net Sales		Operating Profit		Ordinary Profit		Profit Attributable to Owners of Parent	
Six months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
June 30, 2026	26,806	8.3	890	(15.3)	1,122	68.5	351	273.0
June 30, 2025	24,751	11.7	1,051	(29.9)	666	(72.0)	94	(93.1)

Note: Comprehensive income For the six months ended June 30, 2026: ¥276 million [-%]
For the six months ended June 30, 2025: ¥(269) million [-%]

	Basic Earnings per Share	Diluted Earnings per Share
Six months ended	Yen	Yen
June 30, 2026	15.30	-
June 30, 2025	4.43	-

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

(2) Consolidated Financial Position

	Total Assets	Net Assets	Equity-to-Assets Ratio	Net Assets per Share
As of	Millions of yen	Millions of yen	%	Yen
June 30, 2026	39,371	19,428	47.2	715.99
December 31, 2025	33,457	12,187	33.9	533.37

Reference: Equity
As of June 30, 2026: ¥18,566 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	-	0.00			
Fiscal year ending December 31, 2026 (Forecast)				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 (from January 1, 2026 to December 31, 2026)

(Percentages indicate year-on-year changes.)

	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	32.72

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

Basic earnings per share is calculated based on the weighted average number of shares outstanding during the period, including the number of newly issued shares through a public offering (4,142,800 shares) with a payment date of April 24, 2026, and the number of newly issued shares through a third-party allotment (526,400 shares) related to the over-allotment offering with a payment date of May 25, 2026.

***Notes**

(1) Significant changes in the scope of consolidation during the period: Yes
Excluded: 1 company (HOTLAND INTERNATIONAL (TAIWAN) CO., LTD.)

(2) Application of accounting procedures specific to the preparation of semi-annual 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 for reasons 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 June 30, 2026	26,324,800 shares
As of December 31, 2025	21,655,600 shares

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

As of June 30, 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)

Six months ended June 30, 2026	22,951,538 shares
Six months ended June 30, 2025	21,261,724 shares

* This summary of the Consolidated Financial Results is not subject to review by certified public accountants or audit firms.

* Proper use of earnings 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.4 of the Japanese original report, "1. Summary of Operating Results, etc. (3) Explanation of Forward-Looking Information such as Consolidated Forecasts."

(How to obtain supplementary explanatory materials for financial results)
The Company plans to hold a financial results briefing for institutional investors and analysts on Friday, August 28, 2026. The presentation materials will subsequently be made available on the Company website.

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

(Thousands of yen)

	Previous consolidated fiscal year As of December 31, 2025	Current interim consolidated accounting period As of June 30, 2026
Assets		
Current assets		
Cash and deposits	4,805,979	10,210,909
Accounts receivable	2,765,186	1,671,114
Inventories	3,349,652	3,989,360
Other	3,089,937	2,612,687
Allowance for doubtful accounts	(80,261)	(78,585)
Total current assets	13,930,494	18,405,487
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	8,921,294	9,594,523
Other, net	2,829,665	3,353,343
Total property, plant and equipment	11,750,960	12,947,867
Intangible assets		
Goodwill	1,534,075	1,431,378
Other	107,728	163,998
Total intangible assets	1,641,803	1,595,376
Investments and other assets		
Leasehold and guarantee deposits	3,239,044	3,480,387
Other	2,911,931	2,958,575
Allowance for doubtful accounts	(16,251)	(15,951)
Total investments and other assets	6,134,723	6,423,011
Total non-current assets	19,527,487	20,966,254
Total assets	33,457,982	39,371,742

(Thousands of yen)

	Previous consolidated fiscal year As of December 31, 2025	Current interim consolidated accounting period As of June 30, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	2,846,418	2,466,323
Short-term borrowings	1,541,570	183,562
Current portion of long-term borrowings	1,880,058	2,090,417
Accounts payable - other	1,880,293	1,386,163
Income taxes payable	399,651	511,037
Provision for bonuses	212,108	282,656
Asset retirement obligations	21,830	15,714
Other	2,622,510	2,579,960
Total current liabilities	11,404,441	9,515,834
Non-current liabilities		
Long-term borrowings	7,639,182	8,108,250
Asset retirement obligations	1,216,502	1,274,419
Retirement benefit liability	126,980	131,986
Other	883,062	912,630
Total non-current liabilities	9,865,727	10,427,286
Total liabilities	21,270,169	19,943,121
Net assets		
Shareholders' equity		
Share capital	3,313,074	6,972,700
Capital surplus	3,184,225	6,843,851
Retained earnings	5,462,530	5,537,272
Treasury shares	(758,476)	(758,476)
Total shareholders' equity	11,201,354	18,595,347
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	41,817	(4,314)
Deferred gains or losses on hedges	133,869	-
Foreign currency translation adjustment	(30,599)	(20,594)
Remeasurements of defined benefit plans	(6,181)	(4,074)
Total accumulated other comprehensive income	138,906	(28,983)
Non-controlling interests	847,552	862,257
Total net assets	12,187,813	19,428,621
Total liabilities and net assets	33,457,982	39,371,742

(2) Interim Consolidated Statement of Income and Interim Consolidated Statement of Comprehensive Income
(Interim Consolidated Statement of Income)

(Thousands of yen)

	Previous interim consolidated accounting period Six months ended June 30, 2025	Current interim consolidated accounting period Six months ended June 30, 2026
Net sales	24,751,959	26,806,851
Cost of sales	10,774,378	11,694,250
Gross profit	13,977,581	15,112,601
Selling, general and administrative expenses	12,925,850	14,222,140
Operating profit	1,051,730	890,460
Non-operating income		
Interest and dividend income	7,499	10,944
Foreign exchange gains	-	331,907
Subsidy income	35,942	-
Surrender value of insurance policies	17,391	-
Other	29,508	49,088
Total non-operating income	90,341	391,940
Non-operating expenses		
Interest expenses	66,830	106,990
Foreign exchange losses	393,573	-
Share issuance costs	-	45,432
Equity losses of affiliated companies	-	1,722
Commission expenses	2,986	2,079
Other	12,478	3,468
Total non-operating expenses	475,868	159,694
Ordinary profit	666,203	1,122,706
Extraordinary income		
Gain on sale of non-current assets	6,222	510
Total extraordinary income	6,222	510
Extraordinary losses		
Loss on retirement or sales of non-current assets	13,942	2,376
Loss on store closings	1,780	17,988
Impairment losses	196,313	163,836
Loss on liquidation of subsidiaries	-	30,422
Total extraordinary losses	212,037	214,624
Profit before income taxes	460,388	908,592
Income taxes - current	385,586	470,115
Income taxes - deferred	(93,913)	6,411
Total income taxes	291,672	476,526
Profit	168,715	432,065
Profit attributable to non-controlling interests	74,578	80,921
Profit attributable to owners of parent	94,137	351,144

(Interim Consolidated Statement of Comprehensive Income)

(Thousands of yen)

	Previous interim consolidated accounting period Six months ended June 30, 2025	Current interim consolidated accounting period Six months ended June 30, 2026
Profit	168,715	432,065
Other comprehensive income		
Valuation difference on available-for-sale securities	(1,666)	(46,132)
Foreign currency translation adjustment	(32,499)	15,249
Remeasurements of defined benefit plans, net of tax	7,631	2,106
Deferred gains or losses on hedges	(411,487)	(133,869)
Share of other comprehensive income of entities accounted for using equity method	-	7,411
Total other comprehensive income	(438,022)	(155,234)
Comprehensive income	(269,306)	276,831
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	(307,302)	183,254
Comprehensive income attributable to non-controlling interests	37,995	93,576

(3) Interim Consolidated Statement of Cash Flows

(Thousands of yen)

	Previous interim consolidated accounting period Six months ended June 30, 2025	Current interim consolidated accounting period Six months ended June 30, 2026
Cash flows from operating activities		
Profit before income taxes	460,388	908,592
Depreciation	812,123	919,484
Amortization of goodwill	91,766	102,696
Impairment losses	196,313	163,836
Increase (decrease) in allowance for doubtful accounts	(2,413)	(1,975)
Interest and dividend income	(7,499)	(10,944)
Interest expenses	66,830	106,990
Share issuance costs	-	45,432
Equity losses (gains) of affiliated companies	-	1,722
Subsidy income	(35,942)	-
Loss (gain) on liquidation of subsidiaries	-	30,422
Surrender value of insurance policies	(17,391)	-
Foreign exchange losses (gains)	348,769	185,639
Decrease (increase) in trade receivables	1,044,595	1,101,589
Decrease (increase) in inventories	(98,484)	(614,038)
Increase (decrease) in trade payables	(285,125)	(397,957)
Increase (decrease) in provision for bonuses	42,461	70,548
Increase (decrease) in retirement benefit liability	126	8,041
Loss (gain) on sale and retirement of non-current assets	7,720	1,866
Increase (decrease) in accounts payable	(477,584)	(411,247)
Increase (decrease) in accrued expenses	(114,238)	(128,711)
Increase (decrease) in accrued consumption taxes	(26,082)	8,481
Increase/decrease in other assets/liabilities	88,190	169,931
Subtotal	2,094,524	2,260,402
Interest and dividends received	7,499	10,944
Interest paid	(66,830)	(106,990)
Income taxes paid	(571,579)	(361,988)
Subsidies received	35,942	-
Net cash provided by (used in) operating activities	1,499,555	1,802,366

(Thousands of yen)

	Previous interim consolidated accounting period Six months ended June 30, 2025	Current interim consolidated accounting period Six months ended June 30, 2026
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,991,522)	(2,031,216)
Proceeds from sale of property, plant and equipment	6,222	53,183
Purchase of intangible assets	(63,115)	(78,007)
Payments for asset retirement obligations	(28,227)	(26,504)
Payments of guarantee deposits	(133,751)	(320,325)
Proceeds from refund of guarantee deposits	69,869	81,173
Loan advances	(4,293)	(574)
Proceeds from collection of loans receivable	4,088	1,015
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(652,600)	-
Purchase of investment securities	-	(164,224)
Other, net	18,563	9,097
Net cash provided by (used in) investing activities	(2,774,766)	(2,476,382)
Cash flows from financing activities		
Net increase (decrease) in short-term borrowings	1,408,573	(1,358,485)
Proceeds from long-term borrowings	1,445,000	1,726,000
Repayments of long-term borrowings	(628,924)	(1,046,952)
Repayments of lease liabilities	(213,745)	(176,063)
Dividends paid	(276,402)	(276,402)
Proceeds from issuance of shares	-	7,319,251
Payments for issuance of shares	-	(45,432)
Dividends paid to non-controlling interests	(12,825)	(78,871)
Net cash provided by (used in) financing activities	1,721,675	6,063,043
Exchange differences relating to cash and cash equivalents	(9,496)	23,505
Net increase (decrease) in cash and cash equivalents	436,967	5,412,532
Cash and cash equivalents at beginning of period	3,577,939	4,651,302
Cash and cash equivalents at end of period	4,014,907	10,063,835

(4) Notes on Interim Consolidated Financial Statements

(Notes on the material change in the scope of consolidation in the current interim consolidated accounting period)

(Material change in the scope of consolidation)

Since the liquidation of the Company's subsidiary, HOTLAND INTERNATIONAL (TAIWAN) CO., LTD., completed in the current interim consolidated accounting period, such company is excluded from the scope of consolidation from such period.

(Notes on segment information, etc.)

Segment Information

Previous interim consolidated accounting period (Six months ended June 30, 2025)

1. Information on sales and the amount of profit or loss for each reported segment

(Thousands of yen)

	Reporting Segments				Adjustment Amount (Note) 1	Interim Consolidated Statements of Income (Note) 2
	Food and Beverage Business	Resort Business	Manufacturing and Sales Business	Total		
Sales						
Revenues from external customers	23,863,921	93,384	794,653	24,751,959	-	24,751,959
Transactions with other segments	319,151	-	50,517	369,669	(369,669)	-
Total	24,183,073	93,384	845,171	25,121,629	(369,669)	24,751,959
Segment Profit (Loss)	1,039,545	(42,495)	92,790	1,089,841	(38,110)	1,051,730

Note:

1. The adjustment of (38,110) thousand yen to segment profit or (segment loss) represents the elimination of inter-segment transactions.
2. Segment profit or (segment loss) is reconciled with operating profit in the interim consolidated statements of income.

2. Information on impairment losses on non-current assets or goodwill, etc. by reporting segment

(Significant Impairment Losses on Non-current Assets)

In the Food and Beverage Business segment, as a result of reducing the carrying amounts of buildings and other assets to their recoverable amounts due to a decline in the profitability of certain stores, the Company recorded an impairment loss of 196,313 thousand yen. The amount of impairment loss recorded during this interim consolidated accounting period was 196,313 thousand yen.

Current interim consolidated accounting period (Six months ended June 30, 2026)

1. Information on sales and the amount of profit or loss for each reported segment

(Thousands of yen)

	Reporting Segments				Adjustment Amount (Note) 1	Interim Consolidated Statements of Income (Note) 2
	Food and Beverage Business	Resort Business	Manufacturing and Sales Business	Total		
Sales						
Revenues from external customers	25,786,623	128,556	891,672	26,806,851	-	26,806,851
Transactions with other segments	207,752	-	82,682	290,435	(290,435)	-
Total	25,994,376	128,556	974,354	27,097,286	(290,435)	26,806,851
Segment Profit (Loss)	883,986	(61,186)	64,247	887,046	3,413	890,460

Note:

1. The adjustment amount of 3,413 thousand yen to segment profit or (segment loss) represents the elimination of inter-segment transactions.
2. Segment profit or (segment loss) is reconciled with operating profit in the interim consolidated statements of income.

2. Information on impairment losses on non-current assets or goodwill, etc. by reporting segment

(Significant Impairment Losses on Non-current Assets)

In the Food and Beverage Business segment, as a result of reducing the carrying amounts of buildings and other assets to their recoverable amounts due to a decline in the profitability of certain stores, the Company recorded an impairment loss of 163,836 thousand yen. The amount of impairment loss recorded during the current interim consolidated accounting period was 163,836 thousand yen.