FY2026 Q2 Presentation Material

(Jan. to Jun. 2026)

July 31, 2026

Kanro Inc.

（TSE：2216）

AGENDA

Sweeten the Future
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* "Revised forecasts" refer to the figures released on July 31, 2026, and "initial forecasts" refer to the figures released on February 13, 2026, in the materials.
* Consolidated financial results began from the fiscal year ended December 31, 2025. Because Kanro America Inc.'s performance has only a minor impact on consolidated results, the YoY comparison uses the non-consolidated financial statements for 1H of the fiscal year ended December 31, 2025, for both the amounts and the rates of change.

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◆ 1H: Net sales up 4.4% YoY; operating profit down 19.4%

- Achievement rates against the initial 1H forecast announced in Feb. 2026: Net sales 97%; operating profit 93%
- Price revisions implemented for some Hard Candy products (Feb. and Apr.)

◆ Full-year profit forecasts revised downward

- Reflecting the impact of higher raw material prices, energy costs, and other factors arising from the situation in the Middle East in the first half, full-year profit forecasts have been revised downward, with profits expected to decline YoY

◆ Potential impacts of the situation in the Middle East

- Procurement risk: No significant impact at present. Consideration of diversified procurement sources as a contingency
- Cost risk: Higher prices for key raw and packaging materials and energy, as well as higher logistics costs (Estimated impact on full-year earnings: approx. JPY400–500 million)

1. Review of FY2026 1H Consolidated Results

Candy market retail sales (Jan. to Jun. 2026)

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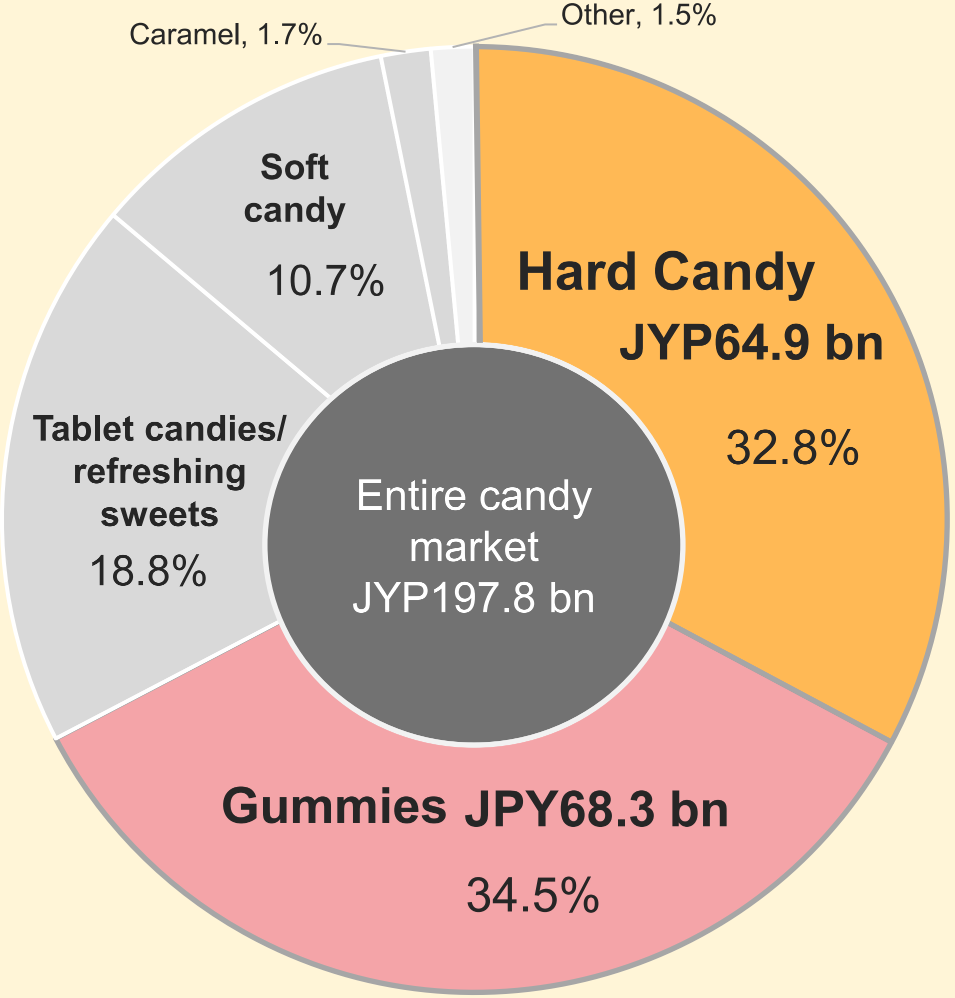
Hard Candy declined 1.8%, while Gummies increased 2.8%.
The Gummy market continued to grow despite slower growth momentum.

Composition by type



Unit: JPY bn

	Jan.–Jun. 2025	Jan.–Jun. 2026	YoY change
Total candy market	193.2	197.8	2.4%
Hard Candy	**66.1**	**64.9**	**(1.8%)**
Gummies	**66.5**	**68.3**	**2.8%**
Tablet candies, refreshing sweets	33.6	37.2	10.6%
Soft candy	20.4	21.1	3.4%
Caramel	3.3	3.4	1.1%
Other	3.3	2.9	(10.7%)

* INTAGE Inc. SRI+ Candy market Jan.–Jun. total for 2025–2026, sales amount and YoY change by type (composition)

Kanro market share (Jan. to Jun. 2026)

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Kanro's share increased in both Hard Candy and Gummies.

Overall share of candy market
12.2% (Previous year 11.8%) *1

Hard Candy market share
21.2%*2 (Previous year 19.5%)

Gummy market share
15.1%*3 (Previous year 14.7%)

*1 INTAGE Inc. SRI+ Candy market: Jan.–Jun. total for 2025 and 2026, share of sales amount
*2 INTAGE Inc. SRI+ Hard Candy market: Jan.–Jun. total for 2025 and 2026, share of sales amount by type (composition)
*3 INTAGE Inc. SRI+ Gummy market: Jan.–Jun. total for 2025 and 2026, share of sales amount by type (composition)

Status of mainstay products (Hard Candy) up 5.1% YoY

Non-Sugar Nodoame **brand and** ***Kenko Nodoame*** **series brand**

– **Reflecting a decline in market demand for throat drops, sales of the** ***Non-Sugar Nodoame*** **brand and** ***Kenko Nodoame*** **brand decreased YoY**

Kinno Milk **candy (No. 1 milk candy brand by sales*)**

– **Limited-season "*Kinno Milk Premium Chocolat*" and "*Kinno Milk Salted Milk*" contributed to a YoY increase in sales**

* INTAGE Inc. SRI+ Milk-flavor candy market Apr. 2024–Mar. 2025, brand ranking for cumulative sales amount *Kinno Milk* candy brand

Kanro Ame

– **A long-selling brand released in 1955. In 2025, the brand marked its 70th anniversary and is implementing the** ***Kanro Ame*** **70th Anniversary Project. Sales increased YoY**

Other

– **Sales of stick-type products increased YoY, while sales of zip-type small-bag products decreased YoY**

Status of mainstay products (Gummies) up 5.1% YoY

Puré Gummy

– Despite TV advertising (Apr.), the impact was limited, resulting in a YoY decline in sales

Candemina Gummy

– Reflecting intensified competition with other companies, the brand struggled, resulting in a YoY decline in overall brand sales

Marosh

– The effects of the rebranding and PR efforts launched last July were temporary, and sales decreased YoY

Other

– The *Kanro THE STRONG* series and limited-time/channel-exclusive products also performed strongly, contributing to higher sales

Gummi-tzel (HITOTUBU KANRO directly operated stores/Kanro POCKeT)

– Isetan Shinjuku store opened in May; sales grew at pop-up stores, including the Haneda Airport location

1H performance summary (vs. Initial forecast/YoY)

Unit: JPY mn

	FY2026 1H (consolidated)						FY2025 1H (non-consolidated)
	Actual (1)	Initial forecast (2)	Change from initial forecast (1)-(2)	Compared to initial forecast	YoY (1)-(3)	YoY %	Actual (3)
Net sales	**17,454**	18,000	(545)	(3.0%)	729	4.4%	16,725
Operating profit	**2,146**	2,300	(153)	(6.7%)	(518)	(19.4%)	2,664
Ordinary profit	**2,159**	2,300	(140)	(6.1%)	(519)	(19.4%)	2,679
Profit attributable to owners of parent	**1,554**	1,600	(45)	(2.8%)	(319)	(17.1%)	1,874

* The values displayed in these materials are truncated at the JPY mn level, so the breakdowns and totals may not always match completely.
* Consolidated financial results began from the fiscal year ended December 31, 2025. Because Kanro America Inc.'s performance has only a minor impact on consolidated results, the YoY comparison uses the non-consolidated financial statements for 1H of the fiscal year ended December 31, 2025, for both the amounts and the rates of change.

Main factors behind changes (vs. Initial forecast/YoY)

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Vs. Initial forecast: Decrease in net sales, decrease in profits

- Net sales: Gummies declined slightly, but a larger decline in Hard Candy (throat drops) caused overall net sales to fall short of plan
- Operating profit: Fell short of plan due to lower marginal profit from lower net sales and a worsened cost of sales ratio, reflecting higher raw material prices and other factors

Year-on-Year: Increase in net sales, decrease in profits

- **Net sales:**
  - ✓ Hard Candy: The gourmet category offset the decline in throat drops, while the impact of price revisions remains limited
  - ✓ Gummies: Amid intensifying competition with other companies, mainstay brands such as *Puré Gummy* struggled, while the *Kanro THE STRONG* series and other products performed strongly; *Gummi-tzel* also remained strong
- **Operating profit / Ordinary profit: Increase factors < Decrease factors**
  - ✓ Increase factors: Increase in marginal profit from higher sales
  - ✓ Decrease factors: Increases in material, fuel, and other costs due to the situation in the Middle East; a higher storage and distribution expense ratio; and increases in advertising expenses, personnel expenses, and other expenses, including system-related expenses such as depreciation of the new core system
- **Profit attributable to owners of parent:**
  - ✓ Decreased despite recording extraordinary income from the reduction of strategic shareholdings

Details of net sales to operating profit

Unit: JPY mn

	FY2026 1H (consolidated)				FY2025 1H (non-consolidated)	
	Actual	% of total	YoY	YoY %	Actual	% of total
Net sales	**17,454**	100.0%	729	4.4%	16,725	100.0%
Cost of sales	**10,165**	58.2%	594	6.2%	9,570	57.2%
Freight and storage costs	**1,135**	6.5%	164	16.9%	971	5.8%
Advertising expenses	**535**	3.1%	243	83.4%	292	1.7%
Other selling expenses	**198**	1.1%	21	12.1%	177	1.1%
Personnel expenses	**2,057**	11.8%	77	3.9%	1,980	11.8%
Other expenses	**1,215**	7.0%	145	13.6%	1,069	6.4%
Operating profit	**2,146**	**12.3%**	(518)	(19.4%)	2,664	15.9%

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Factors of changes in OP (FY2025 1H Result (non-consolidated) vs FY2026 1H Result (consolidated))

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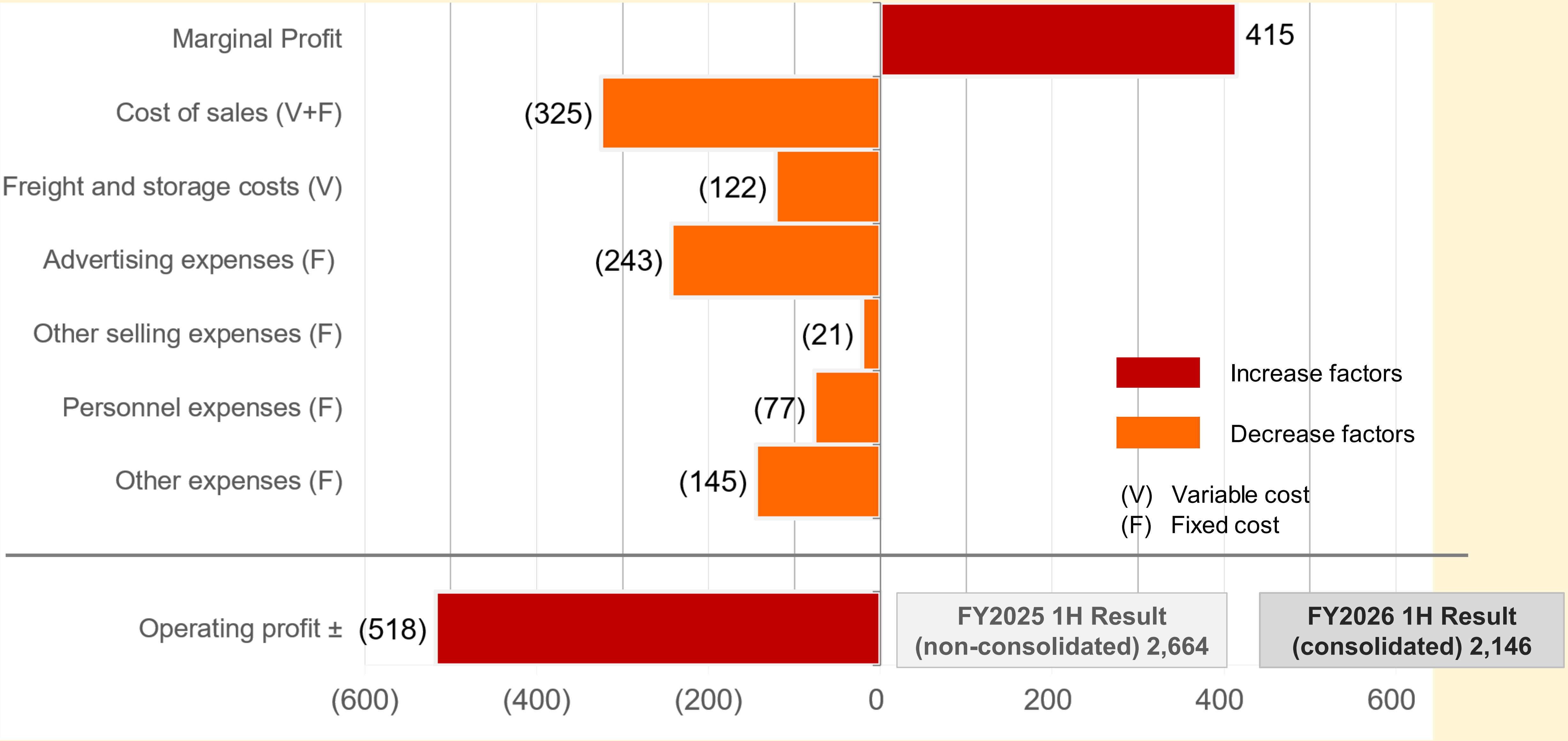
Unit: JPY mn



2. Full-Year Consolidated Forecast for FY2026

Net sales remain unchanged, while profit forecasts have been revised downward from the initial forecasts announced in Feb.

Unit: JPY mn

	FY2026						FY2025
	Revised forecast	Initial forecast	Change from initial forecast	Compared to initial forecast	YoY	YoY %	Actual
Net sales	**36,500**	36,500	0	0.0%	1,728	5.0%	34,771
Operating profit	**4,200**	4,900	(700)	(14.3%)	(491)	(10.5%)	4,691
Ordinary profit	**4,200**	4,900	(700)	(14.3%)	(546)	(11.5%)	4,746
Profit attributable to owners of parent	**3,000**	3,450	(450)	(13.0%)	(378)	(11.2%)	3,378

* The values displayed in these materials are truncated at the JPY mn level, so the totals and percentages may not always match completely.

Main factors behind changes (vs. Initial forecast)

Vs. Initial forecast

- **Net sales: Unchanged**
  - ✓ 1H sales shortfalls in both Hard Candy and Gummies are expected to be recovered in 2H, leaving the full-year forecast unchanged
  - ✓ Higher sales volume driven by promotional initiatives and other factors
  - ✓ Price revisions for some Hard Candy and Gummy products are also expected to contribute

- **Operating profit: Revised downward, as higher 2H sales are expected to increase marginal profit but not enough to absorb the following cost increases**
  - ✓ Deterioration in the gross profit margin due to a higher cost ratio for raw and packaging materials and increased fixed manufacturing costs, including repair expenses and energy costs
  - ✓ Higher storage and distribution expense ratio due to higher logistics-related costs and other factors
  - ✓ Increases in advertising expenses and other expenses

FY2026 revised full-year consolidated forecast (Details of net sales to operating profit vs. initial forecast)

See Appendix for year-on-year comparisons.

Unit: JPY mn

	FY2026 Revised forecast						FY2026	
	1H results	2H revised forecast	**Full-year revised forecast**	% of total	Change from initial forecast	Compared to initial forecast	Initial forecast	% of total
Net sales	17,454	19,046	**36,500**	100.0%	0	0.0%	36,500	100.0%
Cost of sales	10,165	11,535	**21,700**	59.5%	700	3.3%	21,000	57.5%
Freight and storage costs	1,135	1,265	**2,400**	6.6%	60	2.6%	2,340	6.4%
Advertising expenses	535	465	**1,000**	2.7%	50	5.3%	950	2.6%
Other selling expenses	198	252	**450**	1.2%	(60)	(11.8%)	510	1.4%
Personnel expenses	2,057	2,193	**4,250**	11.6%	(70)	(1.6%)	4,320	11.8%
Other expenses	1,215	1,285	**2,500**	6.8%	20	0.8%	2,480	6.8%
Operating profit	2,146	2,054	**4,200**	11.5%	(700)	(14.3%)	4,900	13.4%

* The values displayed in these materials are truncated at the JPY mn level, so the breakdowns and totals may not always match completely. *2H figures are simple differences.

(Reference) Factors behind changes in OP: FY2026 Initial forecast vs. Revised forecast

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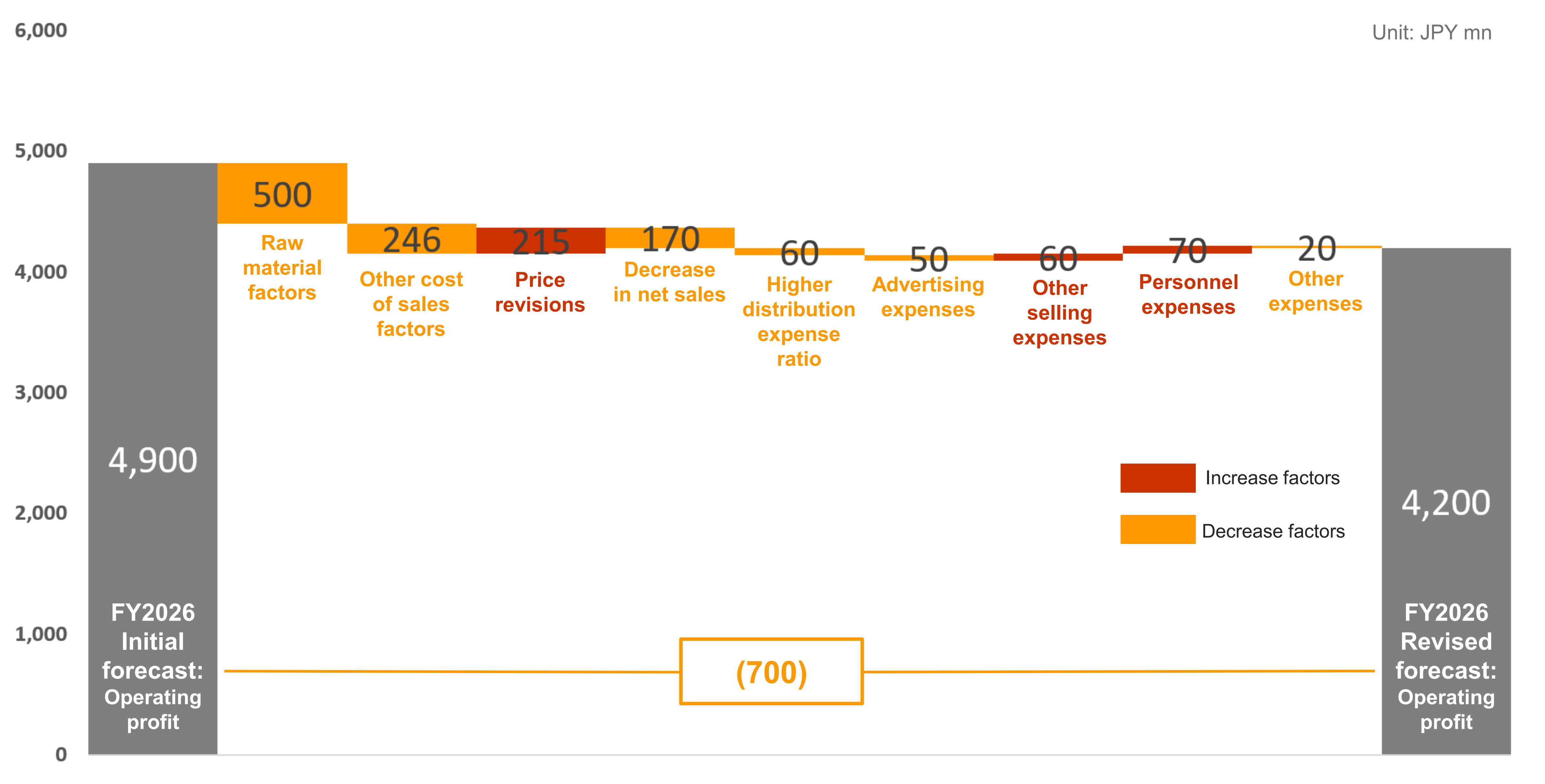

2022 to 2026: Trends in net sales / operating profit and the composition of net sales

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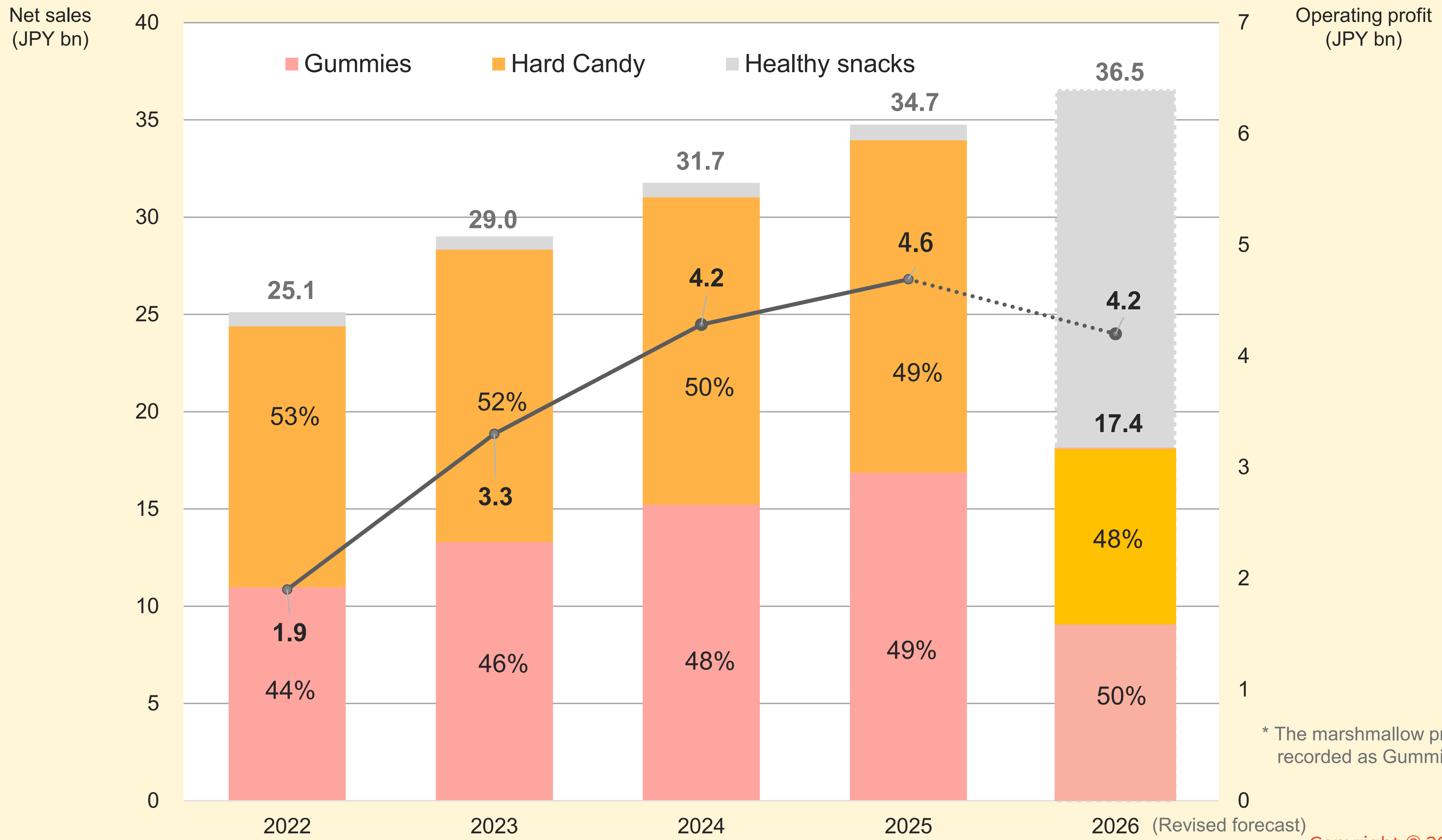


* The marshmallow product “*Marosh*” is recorded as Gummies.

Achieve sustainable growth and enhance corporate value through optimal balance sheet management and improved capital efficiency

FY2026 1H-end balance sheet

Assets

Capital investments (growth investments)

Reduce strategic shareholdings

Total: JPY31,883 mn

Reduce assets through effective use of cash and deposits, etc.

Liabilities

Total: JPY12,153 mn

Leverage effect using interest-bearing debt

Net assets

Total: JPY19,730 mn

Improve capital efficiency through treasury share repurchases

Balance sheet management

(1) Growth investment

Proactively execute investments to achieve medium- to long-term growth

(2) Shareholder returns

Provide stable and continuous shareholder returns

Maximize corporate value

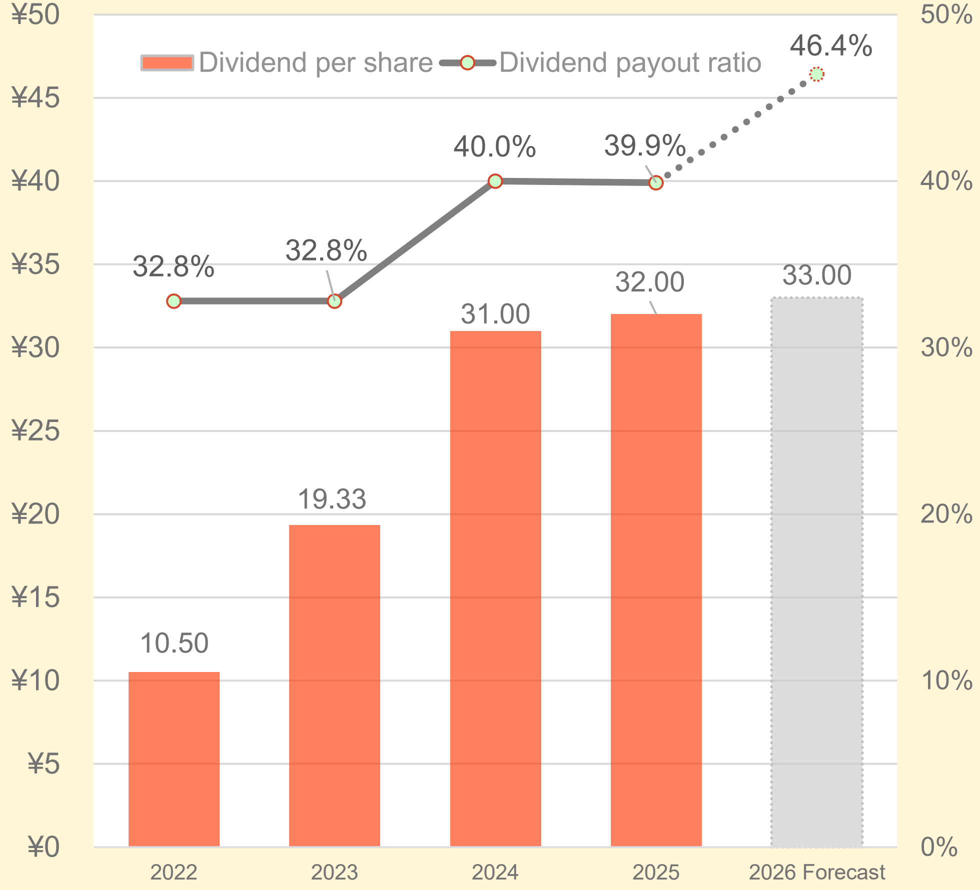
(3) Improve capital efficiency

Manage KPIs using the ROIC tree

(4) Financial soundness

Maintain financial stability and reduce the cost of capital

Despite a projected YoY profit decline in FY2026, enhance shareholder returns by maintaining the initial forecast of an annual dividend of JPY33 per share (year-end dividend: JPY18) and through treasury share repurchases and cancellations



* Converted to post-split basis following the share split conducted on July 1, 2025

Dividends

JPY33 per year (initial forecast maintained)

Repurchase and cancellation of treasury shares

- ✓ Direct shareholder returns and improved capital efficiency
- ✓ Details of treasury share repurchase:
  Class of shares repurchased: Common shares of the company
  Total number of shares repurchased: Up to 1,100,000 shares
  Total repurchase amount: Up to JPY1,400,000,000
  Repurchase date: August 3, 2026
- ✓ Details of treasury share cancellation:
  Class of shares to be canceled: Common shares of the company
  Number of shares to be canceled: 3,000,000 shares
  Scheduled cancellation date: August 31, 2026

* For further details, please visit the link below:
Investor Relations | Kanro Inc.

Advancing toward the achievement of our medium-term financial targets

Indicators	2025 Actual	2026 Revised forecasts	2030 Target
Net sales	JPY34.7 bn	JPY36.5 bn (up 5.0% YoY)	JPY50.0 bn or more (CAGR: 7.8% or higher)
Operating profit margin	13.5%	11.5%	13% or higher
EBITDA (*)	JPY6.29 bn	JPY5.85 bn	JPY10.0 bn
ROIC	18.3%	13.2%	11% or higher
ROE	18.9%	15.2%	15% or higher

(*) Our EBITDA is defined as operating profit plus depreciation and amortization.

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Deepening understanding of Kanro's initiatives and approach toward achieving the Medium-term Corporate Strategy 2030

The cover portrays Kanro's *Puré Gummy*, which has expanded overseas, being loved by people around the world.

CEO Message explains the CEO's views, including his sense of progress in the first year of the medium-term plan and responses to challenges.

A candid exchange on Kanro's growth drivers and medium- to long-term growth story from the distinct perspectives of execution, oversight, and capital markets.

Also featured: CFO Message, global business, human resources strategy, digital strategy, and more

* For further details, please visit the link below:
https://ssl4.eir-parts.net/doc/2216/ir_material_for_fiscal_ym16/211317/00.pdf

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3. Market Analysis and Strategy

Candy market retail sales (Jan. to Jun. 2026)

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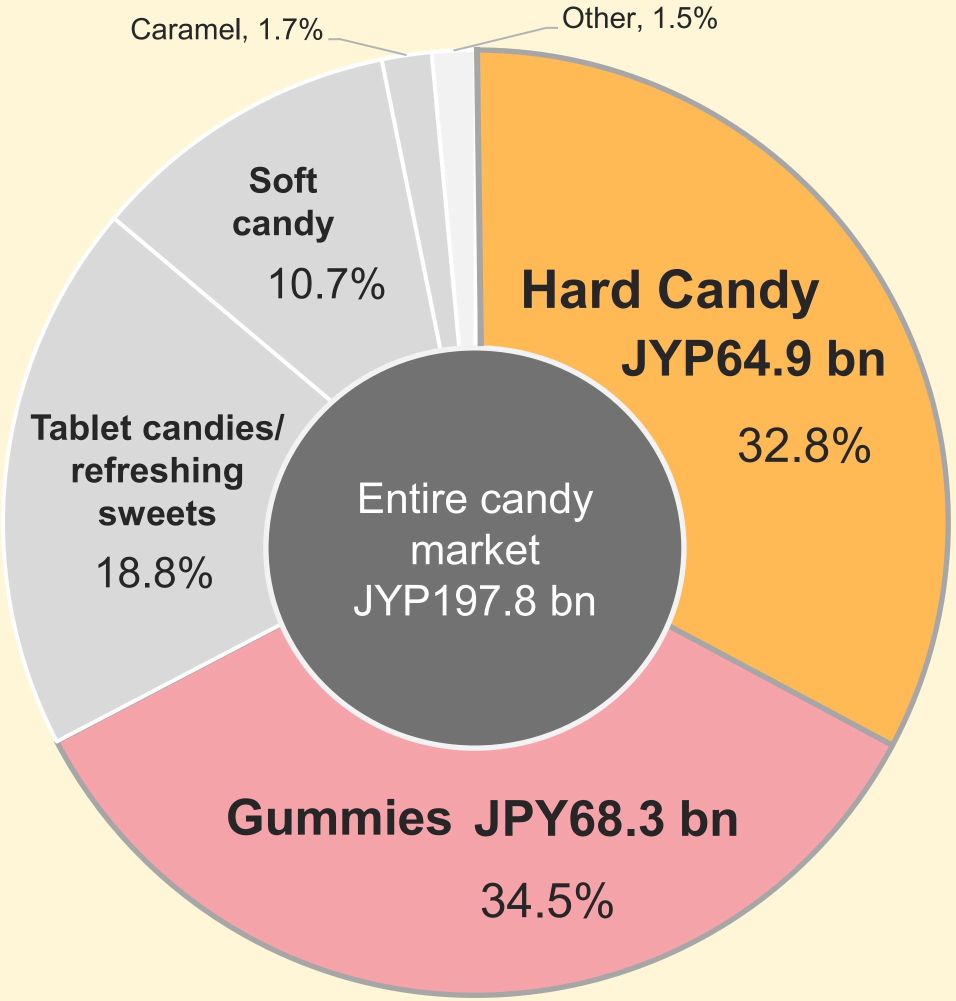
Hard Candy declined 1.8%, while Gummies increased 2.8%.
The Gummy market continued to grow despite slower growth momentum.

Composition by type



Unit: JPY bn

	Jan.–Jun. 2025	Jan.–Jun. 2026	YoY change
Total candy market	193.2	197.8	2.4%
Hard Candy	**66.1**	**64.9**	**(1.8%)**
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Soft candy	20.4	21.1	3.4%
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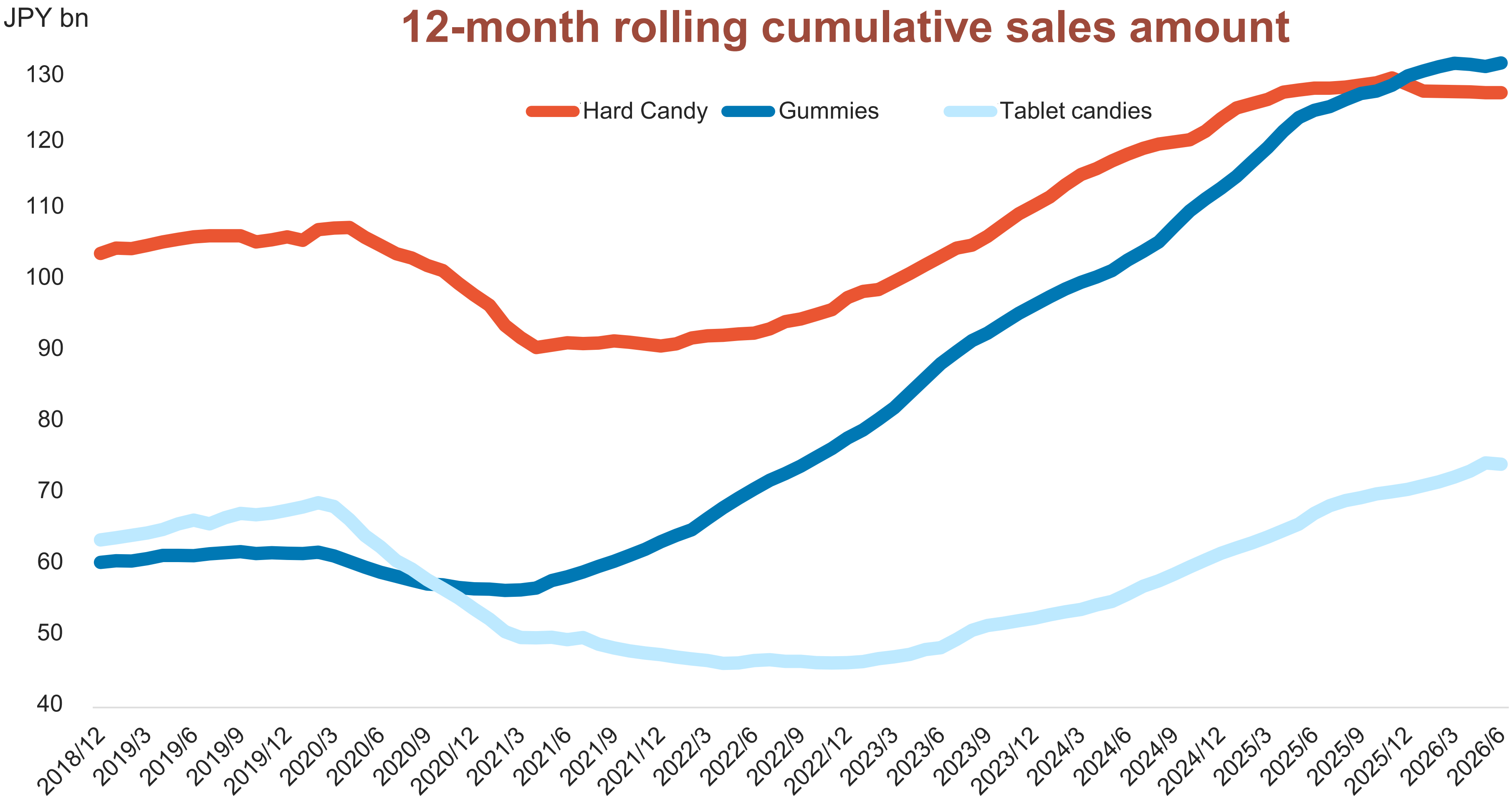
Other	3.3	2.9	(10.7%)

* INTAGE Inc. SRI+ Candy market Jan.–Jun. total for 2025–2026, sales amount and YoY change by type (composition)

Tablet candies continue to grow; Hard Candy and Gummies show moderate trends



Annual market size (as of Jun. 2026)

Gummies
JPY131.6 bn
(105.4% YoY)

Hard Candy
JPY127.3 bn
(99.5% YoY)

Tablet candies
JPY74.6 bn
(110.4% YoY)

Source: INTAGE Inc. SRI+ (nationwide; all business categories)

Market Analysis and Strategy

Gummy market

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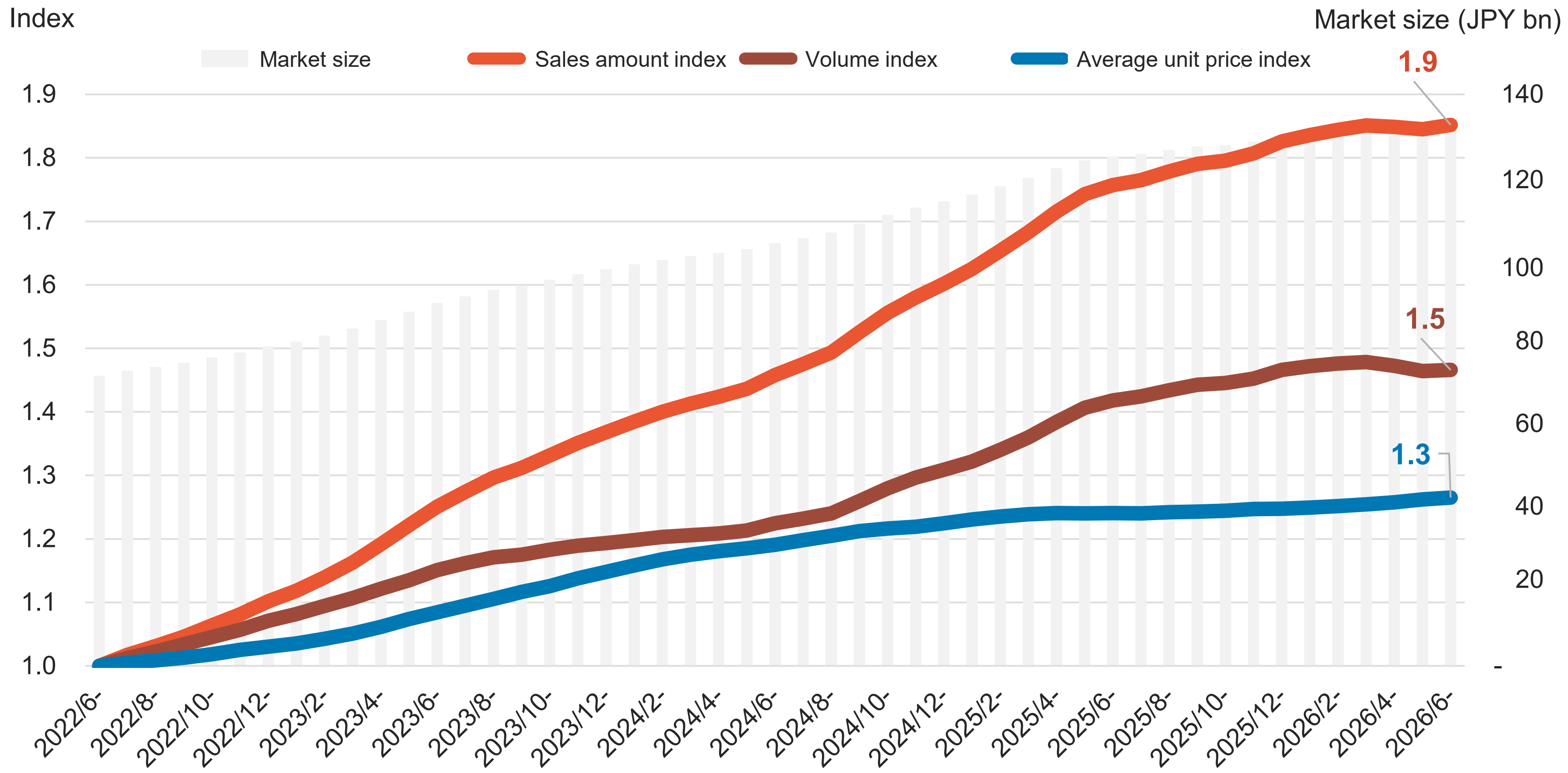
The Gummy market remains a growth market despite recent moderation in growth

5-year index changes [Gummies] * Index with the annual market size five years earlier set at 1



As of Jun. 2026 Gummy market:

JPY131.6 bn

Growth rate over the past year	
Sales amount	105.4%
Volume	103.4%
Average unit price	102.0%

Source: INTAGE Inc. SRI+ (nationwide, all business categories); period: Jul. 2021–Jun. 2026 (5-year trend)

Gummy market size forecast

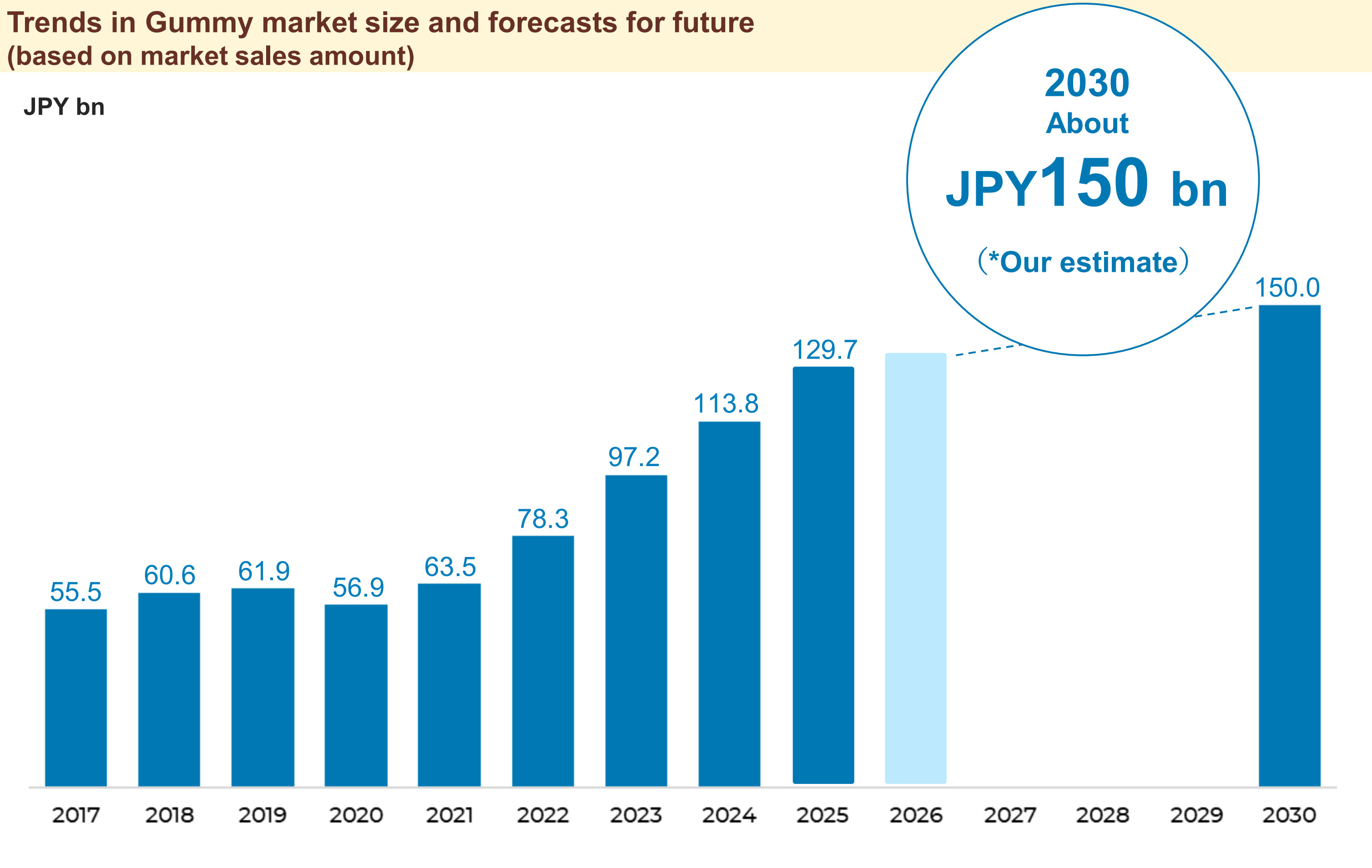
Gummy market: Entering the next phase of growth
ー Toward a JPY150 bn market by 2030 ー

* Based on the market size forecast in the Medium-term Corporate Strategy 2030 announced in 2025.

Context for fluctuations in Gummy market size

Demand-side factors	• Expanding population of people eating Gummies across all age groups • At-home demand during the COVID-19 pandemic remained firm afterward as well. • Inflow from other categories such as gum • Increase in purchases per capita
Supply-side factors	• Aggressive introduction of new products by domestic manufacturers • Reinforcements to manufacturing systems by domestic manufacturers (Kanro also began operating a new Gummy line at the Matsumoto Plant in 2019 and expanded this plant in 2024.) • Expansion in sales of imported gummies

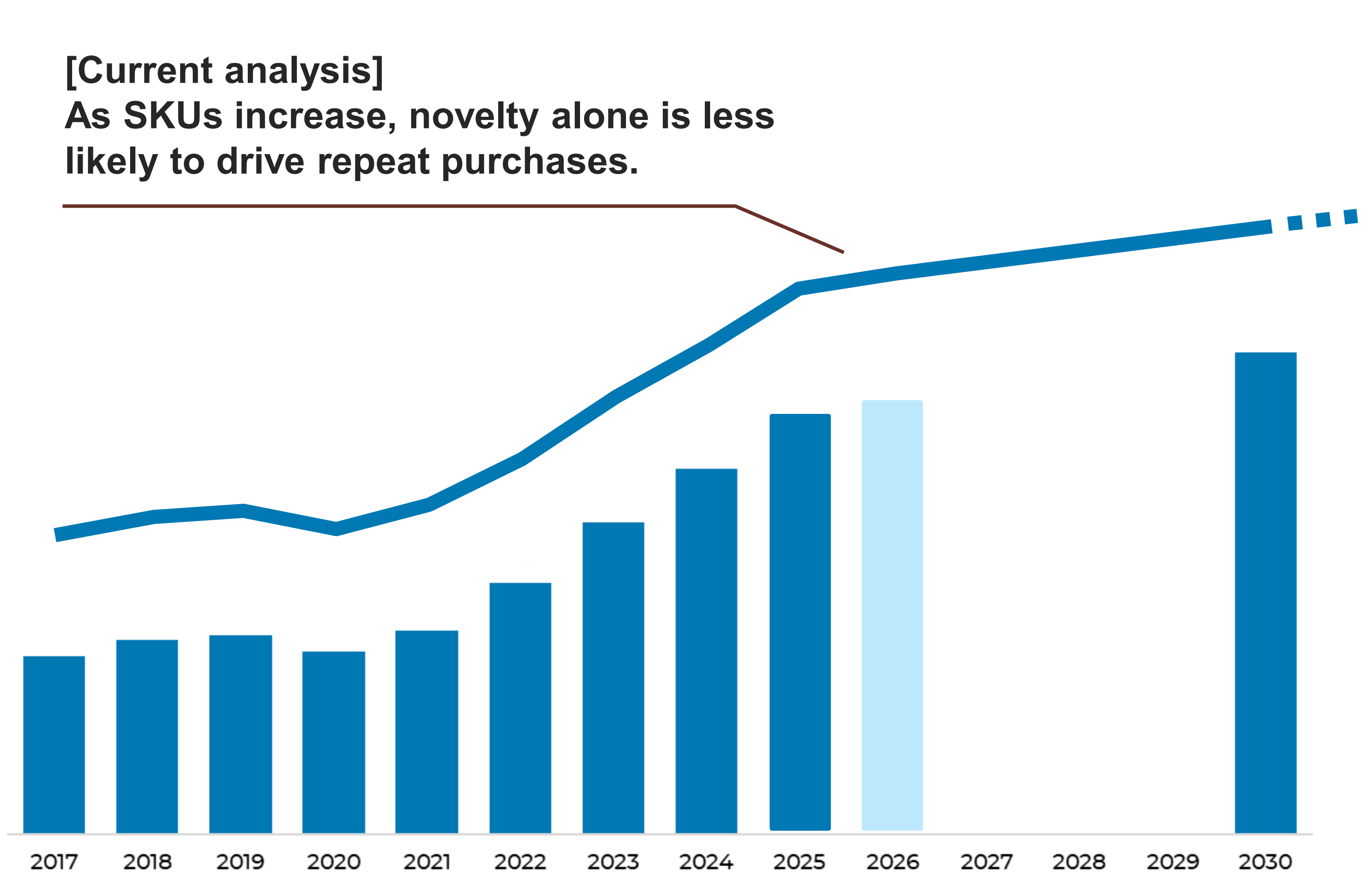
Trends in Gummy market size and forecasts for future
(based on market sales amount)

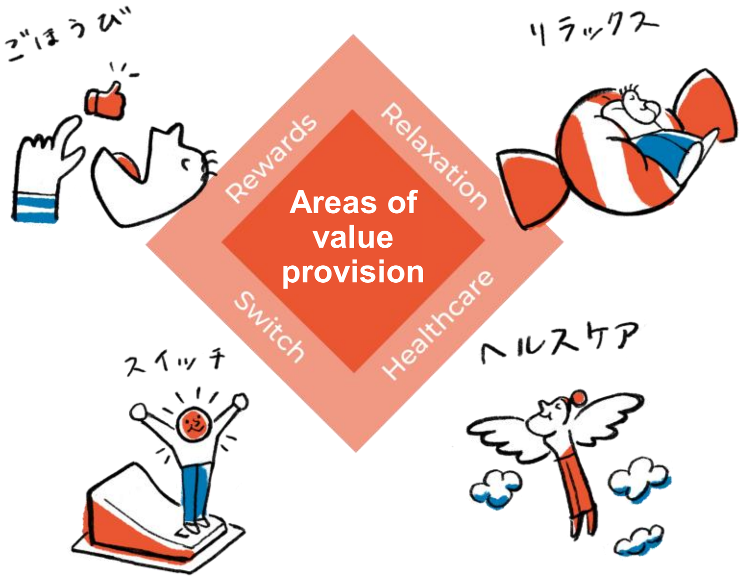


Source: INTAGE Inc. SRI+ for actual results; our calculations for future forecasts

As product choices broaden, continue refining value provision to drive further market growth

[Current analysis]
As SKUs increase, novelty alone is less likely to drive repeat purchases.





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Driving the market through a customer-driven approach and differentiation in value provision across existing Kanro brands

Puré
ピュレグミ

Through the *Lifetime Puré* proposal and value enhancement, aiming beyond No. 1 in Japan to become a global brand

Candemina カンデミーナ
Marosh マロッシュ
Kanro THE カンロ ザ・ストロング STRONG

Establishing a strong brand position through distinctive texture appeal and differentiation in value provision

Phased expansion of test products aligned with enhanced production capabilities

Development of products offering diverse textures and experiences

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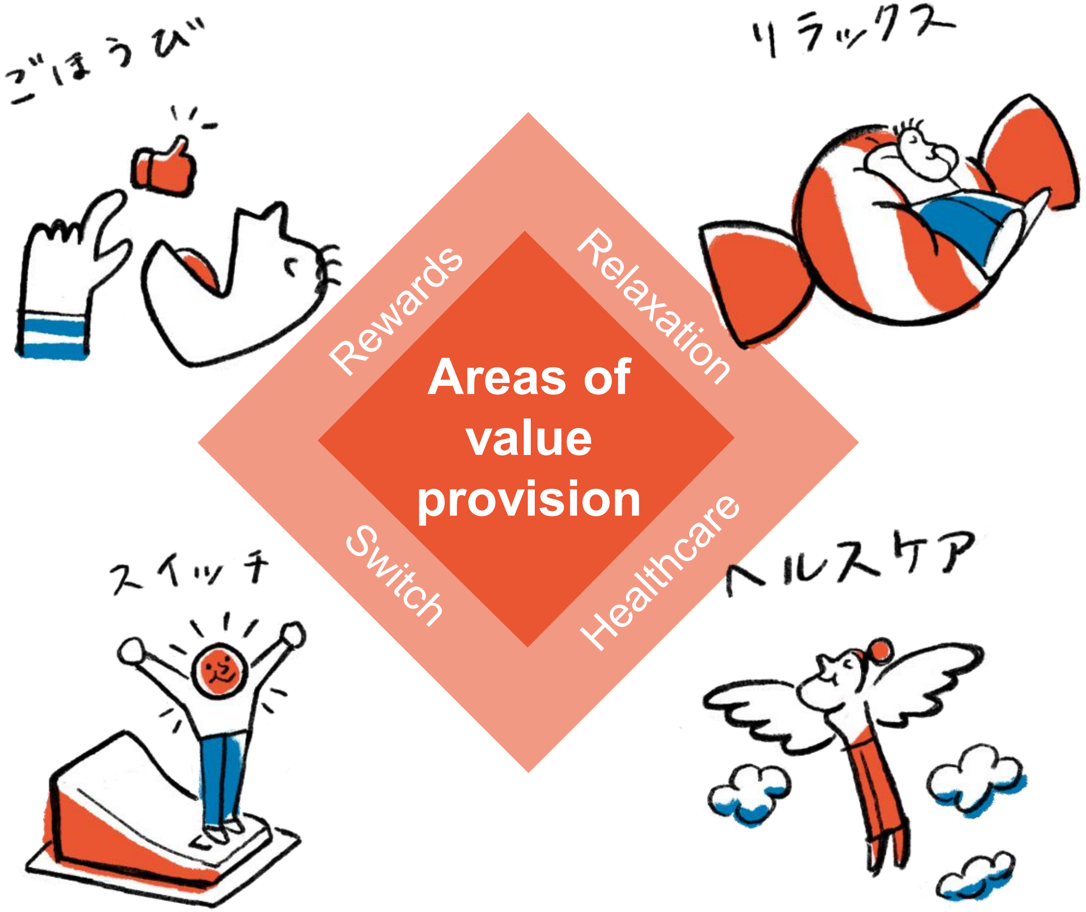
More to Come



Market Analysis and Strategy

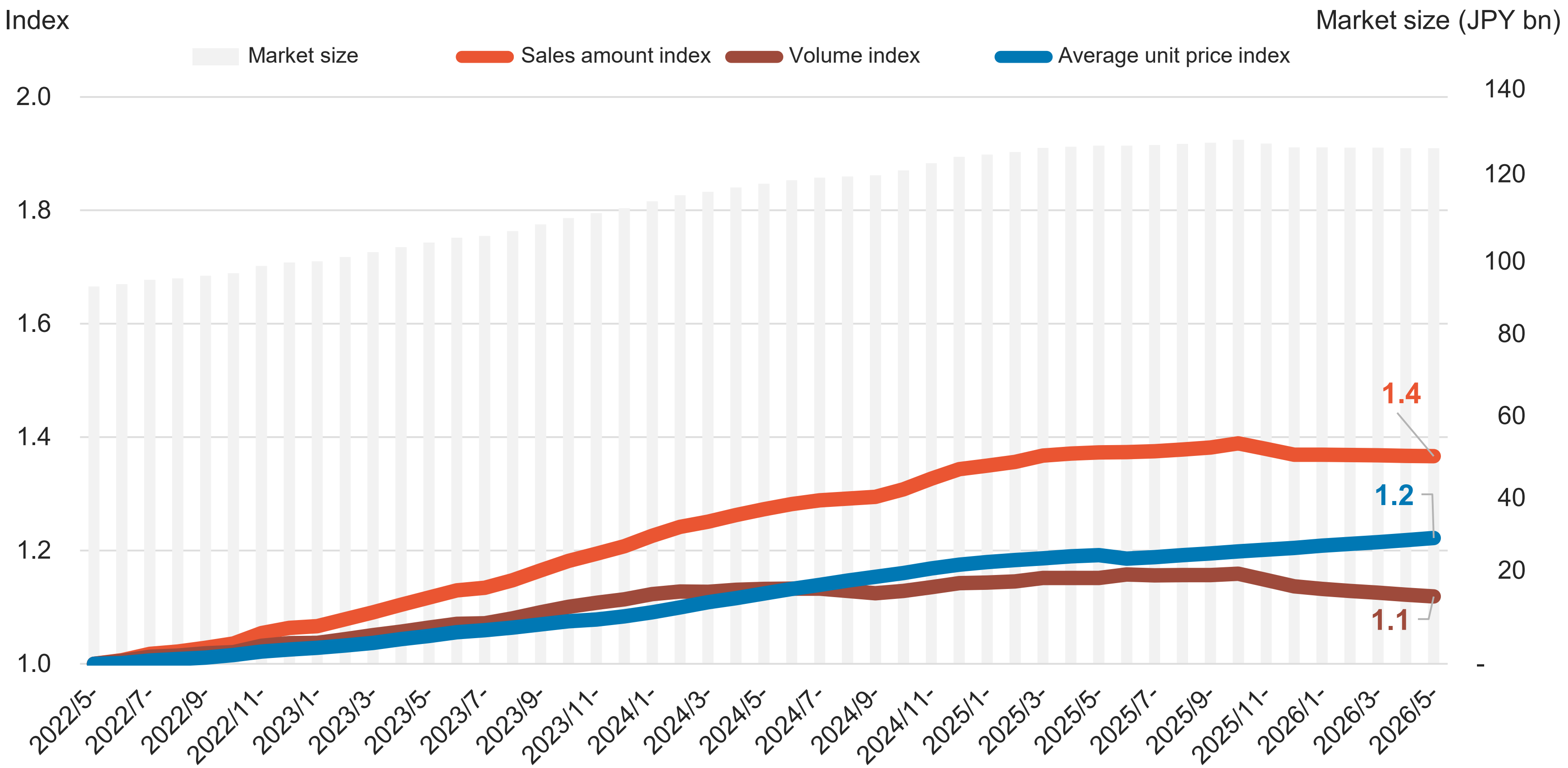
Hard Candy market

Hard Candy market | Sales amount, volume, and unit price indices

Unit prices rose over the past year, but both volume and sales amount declined

5-year index changes [Hard Candy]

* Index with the annual market size five years earlier set at 1



As of Jun. 2026
Hard Candy market:
JPY127.3 bn

Growth rate over the past year	
Sales amount	99.5%
Volume	97.2%
Average unit price	102.5%

Source: INTAGE Inc. SRI+ (nationwide, all business categories); period: Jul. 2021–Jun. 2026 (5-year trend)

Hard Candy market size forecast

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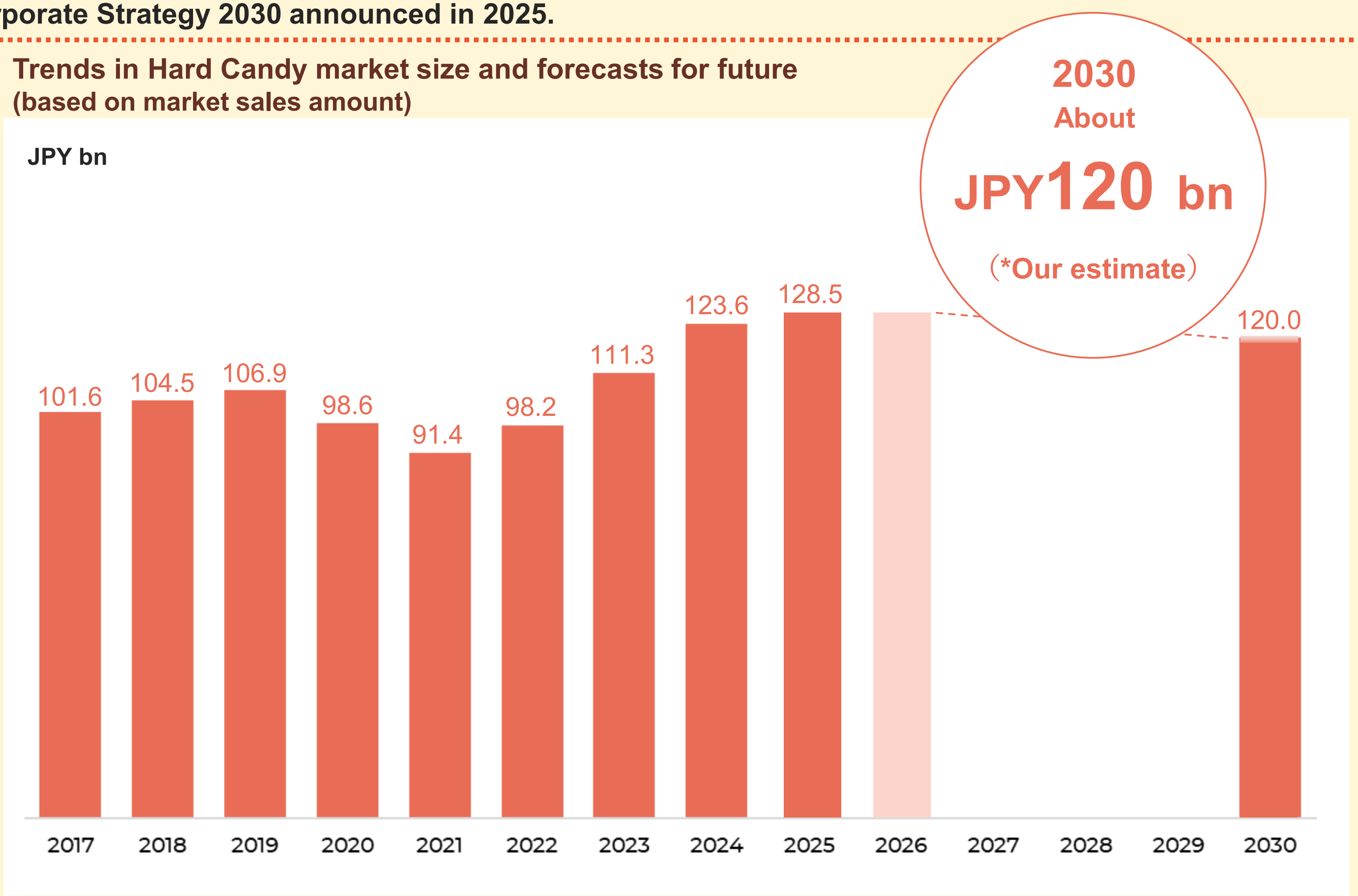
A category highly susceptible to external factors
Aiming for further share expansion amid a broadly flat market

*** Based on the market size forecast in the Medium-term Corporate Strategy 2030 announced in 2025.**

Context for fluctuations in Hard Candy market size

Demand-side factors	• Decrease in opportunities to eat Hard Candy due to mask-wearing during pandemic • Recovery in demand for Hard Candy overall due to recovery in people movement after pandemic • Increased demand for throat drops due to stronger health consciousness
Supply-side factors	• Decrease in number of manufacturers due to industry restructuring • End of sale of long-selling products

Trends in Hard Candy market size and forecasts for future (based on market sales amount)



Source: INTAGE Inc. SRI+ for actual results; our calculations for future forecasts

Pursuing the creation of new value resilient to changes in the external environment

Co-creating the value of Hard Candy with younger consumers

Co-creation project for Gen Z's formative Hard Candy experiences

Tomei na Heart de Ikitai
(2023)

Co-creation project with the Masuda Seminar, School of Commerce, Senshu University

#Choco Jane-yo Ame Dayo
(2024/2025)

Sakkurin
(2026)

Product value enhancement

New value creation

Test rollout of aroma-focused candy inspired by the discovery of demand for *"Flavorless?" Nodoame*

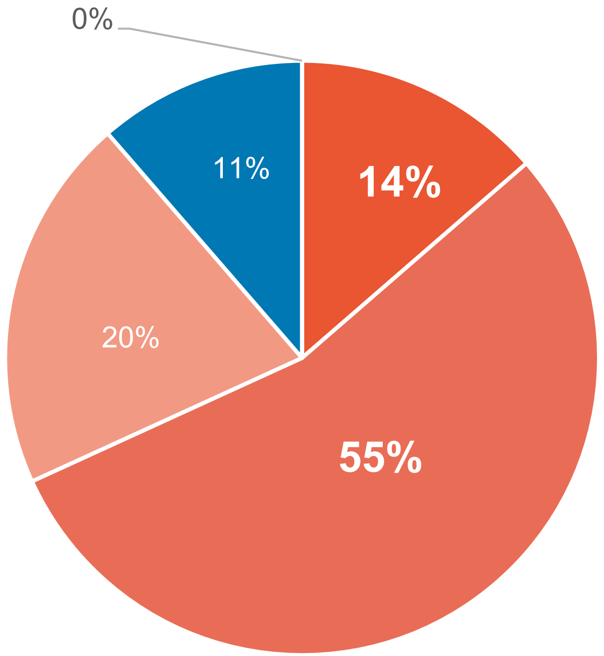
【New】

* Some products are no longer in production.

Test rollout of *KAORITO*, a new sensory, aroma-focused candy designed to meet refreshment needs as an alternative to tablet candies

Concept survey

Whether refreshment through natural aromas, without relying on strong stimulation, appeals to consumers



Approx. **70%** responded that it was appealing

- 1. Very appealing
- 2. Appealing
- 3. Neutral
- 4. Not appealing
- 5. Not at all appealing

KAORITO

Citrus Wood / Misty Lake

- Proprietary technology for enjoying aroma alone
- Forest-bathing-like refreshment experience without relying on strong stimulation
- New format optimized for portability
- Candy pieces reduced to approx. one-third of our conventional size

Test sales conducted in May at selected NewDays stores received a positive response

Data: Company questionnaire survey, men and women in their 20s to 60s (N=44)

Market shifts from organic inflow to a phase requiring value redefinition

- Gummies -

- Shift from expanding trial purchases to creating lasting value
- Provide value beyond novelty, addressing snacking needs, small hunger, and mood refreshment
- Redefine the value provision on the premise of slowing organic inflow

Beyond the transition phase to renewed growth
Develop brands and expand the market

- Hard Candy -

- Highly affected by temperature, dry conditions, and viral outbreaks
- Strong yet highly variable demand for throat care and seasonal needs
- Room to grow in creating reasons for everyday use

Create new value resilient to changes in the external environment

Market dynamics change with climate factors and trends
Rather than chasing the market, create reasons for consumers to choose Kanro

4. Progress on Growth Strategy

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New Gummy line expansion on track for Jul. 2027 start-up
Production capacity to increase by approximately 50% upon completion

[Photo taken in Jul. 2026]

Investment details	Expansion of building; construction of new Gummy line and new automated warehouses, etc.
Capital investment	approx. JPY13.0 billion
Plant area	Total area is 6,916.75 ㎡.

Construction progress:
Groundbreaking in Oct. 2025; exterior work currently underway
Workforce expansion and training for production personnel underway in preparation for start-up

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Store count exceeded 400, reaching the Medium-term Corporate Strategy minimum target in one year

May 2025
Established local subsidiary, Kanro America Inc. in the U.S.

Sep.
Launched sales of *Puré Gummy* in the U.S. market

Nov.
Launched sales of *Puré Gummy Premium*

Jul. 2026
Exhibited at Anime Expo 2026

Aug.
Expanded the lineup with two new flavors

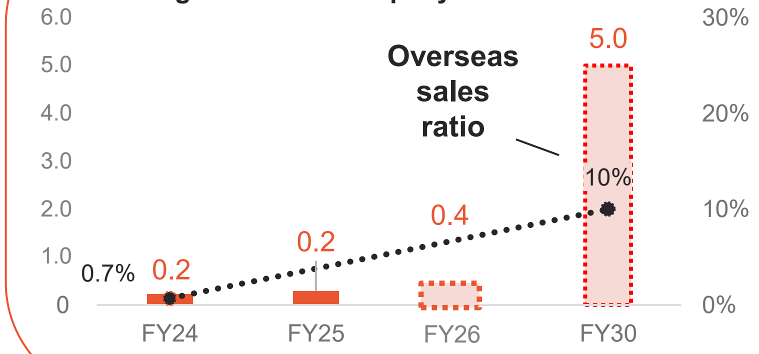
Examples of retail partners
Japanese retailers (Tokyo Central, Mitsuwa Marketplace, Daiso); Asian retailers (H Mart); university co-ops (UCLA), etc.

Roadmap

	FY25–26	FY27–28	FY29–30
Store count (Medium-term Corporate Strategy)	300+ stores	5,000+ stores	
Store count (Actual)	300+ stores	Store count growth outpacing the Medium-term Corporate Strategy	
Target retailers	Japanese/ Asian retailers	Regional U.S. retailers	Nationwide U.S. retailers

Global business

Aiming for 10% of company-wide sales in FY30



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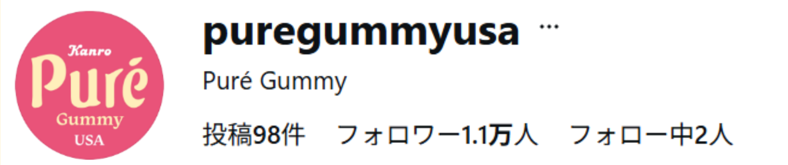
Exhibited at Anime Expo 2026, one of the largest Japanese anime and pop culture events in North America

Los Angeles Convention Center | Jul. 2–5, 2026
Total attendees of approx. 400,000



Offered samples to visitors who followed our Instagram account as a participation requirement

Followers exceeded 10,000

Upcoming Initiatives

Event participation

Head in the Clouds music festival (Aug.)
Expand awareness of *Puré Gummy* through sampling

Brand initiatives

Invest in branding to support listing negotiations with U.S. retailers; Aim for placement in mainstream retail channels from 2027 onward

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Opened a new permanent store at Isetan Shinjuku
Gransta Tokyo Store to reopen after renovation in mid-September, expanding HITOTUBU KANRO to three locations

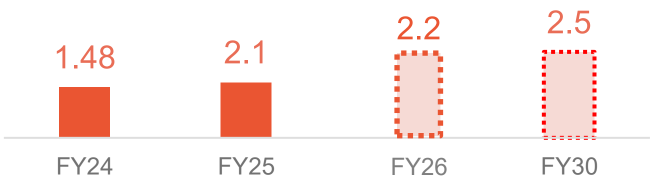
HITOTUBU KANRO Isetan Shinjuku Store

Opening date: May 20, 2026

Location: Isetan Shinjuku Main Building, B1F

Gift Box Navy
Exclusive to Isetan Shinjuku Store

HITOTUBU KANRO business
FY2030 net sales target: JPY2.5 billion



* Sales in the HITOTUBU KANRO business are included in Gummies, Hard Candy, etc.

Extended by three months due to popular demand!

HITOTUBU KANRO
Haneda Airport Pop-up Store
Open for a limited time through Wed., Oct. 7

Located in Haneda Star Sweets, Marketplace, 2F, Terminal 1, Haneda Airport

5. In Closing

Toward becoming a company of choice through stronger branding

Launched a corporate advertising campaign featuring Keisuke Kuwata in Jun. 2026
In 2H, invest in advertising for product brands to enhance the overall Kanro brand

- **Produced a TV commercial featuring Keisuke Kuwata and the newly written "Kanro Song," creating touchpoints with the Kanro brand**
- **Sponsored the "Keisuke Kuwata Summer Festival Tour 2026"**

  Distributed limited-edition *Kanro Ame* to attendees

  Created touchpoints with the Kanro and *Kanro Ame* among three generations of families across Japan

FY–24	FY25–26	FY27–28	FY29–30
Clearly define the brand	Strengthen corporate advertising		

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心がひとつぶ、大きくなる。

×

カンロ飴
Puré ピュレグミ
健康のど飴 31種のいたわり素材
金のミルク 濃い贅沢
カンデミーナ Candemina
ノンシュガーのど飴シリーズ
ノンシュガー茶館シリーズ
ボイスケアのど飴
Marosh マロッシュ

Today's key points

1. Continuing efforts to exceed the current forecast while FY2026 is expected to deliver year-on-year net sales growth and lower profit

2. Gummies: Refining the value provision to drive further growth
Hard Candy: Pursuing the creation of new value resilient to changes in the external environment

3. Global business: Expanding SKUs and retail distribution while targeting the mainstream market through brand investment

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6. Appendix

FY2026 revised full-year consolidated forecast
(Details of net sales to operating profit vs. prior-year results)

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Unit: JPY mn

	FY2026 Revised forecast						FY2025	
	1H results	2H revised forecast	**Full-year revised forecast**	% of total	YoY	YoY %	Actual	% of total
Net sales	17,454	19,046	**36,500**	100.0%	1,728	5.0%	34,771	100.0%
Cost of sales	10,165	11,535	**21,700**	59.5%	1,625	8.1%	20,074	57.7%
Freight and storage costs	1,135	1,265	**2,400**	6.6%	250	11.6%	2,149	6.2%
Advertising expenses	535	465	**1,000**	2.7%	(59)	(5.6%)	1,059	3.0%
Other selling expenses	198	252	**450**	1.2%	55	14.2%	394	1.1%
Personnel expenses	2,057	2,193	**4,250**	11.6%	100	2.4%	4,149	11.9%
Other expenses	1,215	1,285	**2,500**	6.8%	246	10.9%	2,253	6.5%
Operating profit	2,146	2,054	**4,200**	11.5%	(491)	(10.5%)	4,691	13.5%

* The values displayed in these materials are truncated at the JPY mn level, so the breakdowns and totals may not always match completely. * 2H figures are simple differences.

Past and planned price revisions and content changes for major products

* The actual retail price is the open price.
* For the most up-to-date information, please refer to our website.

Revision month	Main target brands (Hard Candy)	Main target brands (Gummies)	Notes
Sep.–Oct. 2022	***Kanro Ame*, *Kinno Milk* candy, *Kenko Nodoame* series, *Non-Sugar Nodoame*, etc.**	***Puré Gummy*, *Candemina Gummy*, *Marosh***	**MSRP increased by about 3–10%**
Mar. 2023	***Kenko Ume Nodoame*, *Morimoriyama Fruit Candy*, etc.**	***Puré Gummy*, *Candemina Gummy*, *Marosh***	**MSRP increased by about 3–13%**
Feb. 2024	***Kinno Milk* candy**	***Puré Gummy*, *Candemina Gummy***	**MSRP increased by about 3–16%**
Feb./Apr. 2026	***Non-Sugar gourmet* (coffee, tea) *Non-Sugar Nodoame* *Morimoriyama Fruit Candy***	–	**MSRP increased by about 5–16%**
Sep. 2026	***Kanro Ame*, *Kenko Ume Nodoame*, *Voice Care Nodoame*, etc.**	***Candemina Gummy Super Best*, *Kanro THE STRONG Gummy Soda*, etc.**	**Expected retail price increase: approx. 4–15%**
Oct. 2026	–	***Puré Gummy Premium***	**Net content increase and expected retail price increase: approx. 10–11%**

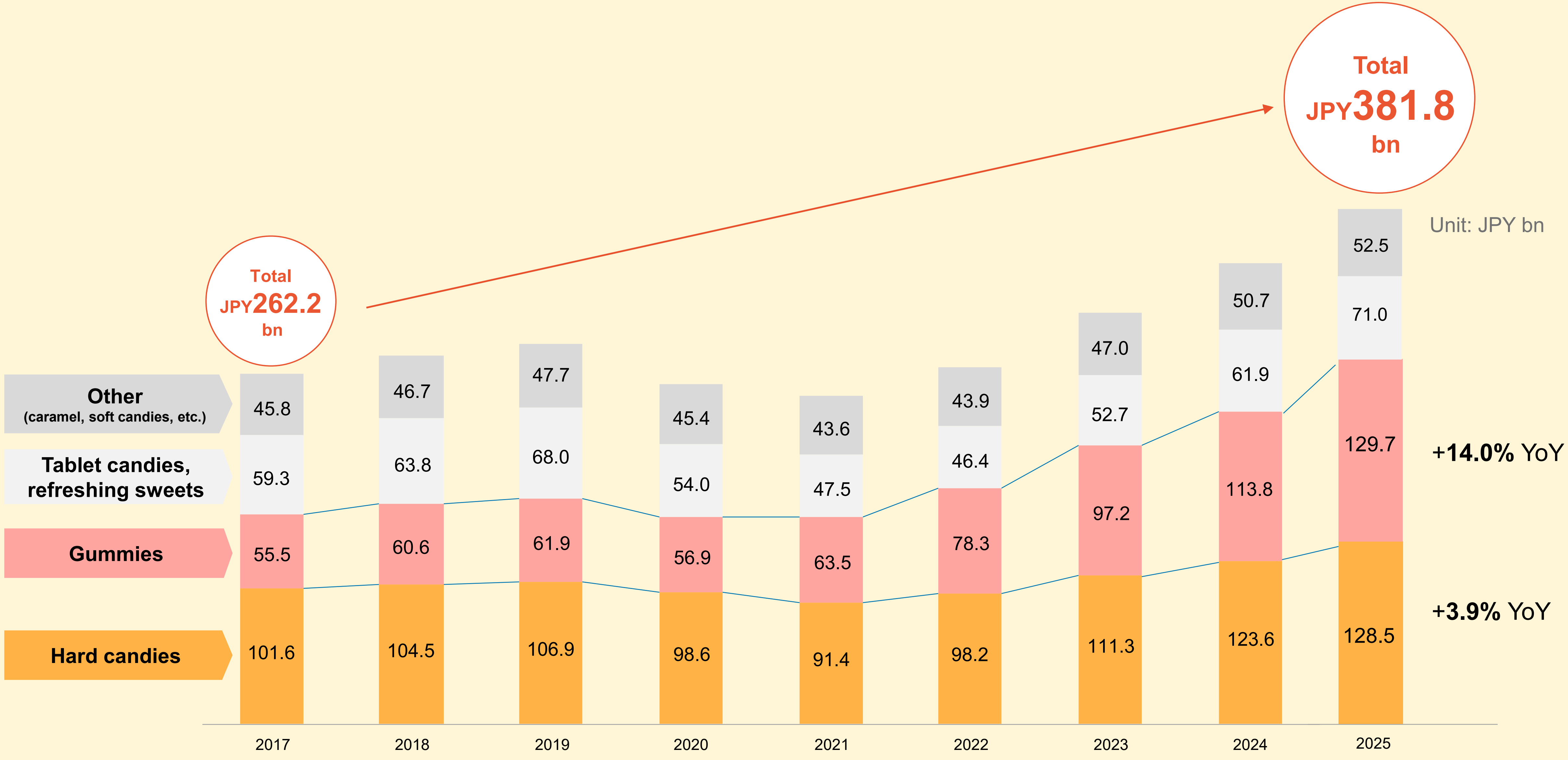
Newly added

Year-on-year change for mainstay brands (retail sales amount)

Hard Candy brand	Jan.–Jun. 2026 Actual	Gummy brand	Jan.–Jun. 2026 Actual
Kenko Nodoame **series** 	**98.9%**	***Puré Gummy*** 	**97.1%**
Non-Sugar Nodoame 	**103.1%**	***Candemina Gummy*** 	**97.1%**
Kinno Milk **candy** 	**108.5%**	-	-
Kanro Ame 	**104.5%**	-	-

* INTAGE Inc. SRI+ Hard Candy + Gummy market Jan.–Jun. total for 2025–2026, estimated sales amount

Trends in size of Japan's candy market (retail sales amount)



* INTAGE Inc. SRI+ Retail sales by composition

Trends in Kanro's share among manufacturers (retail sales amount)

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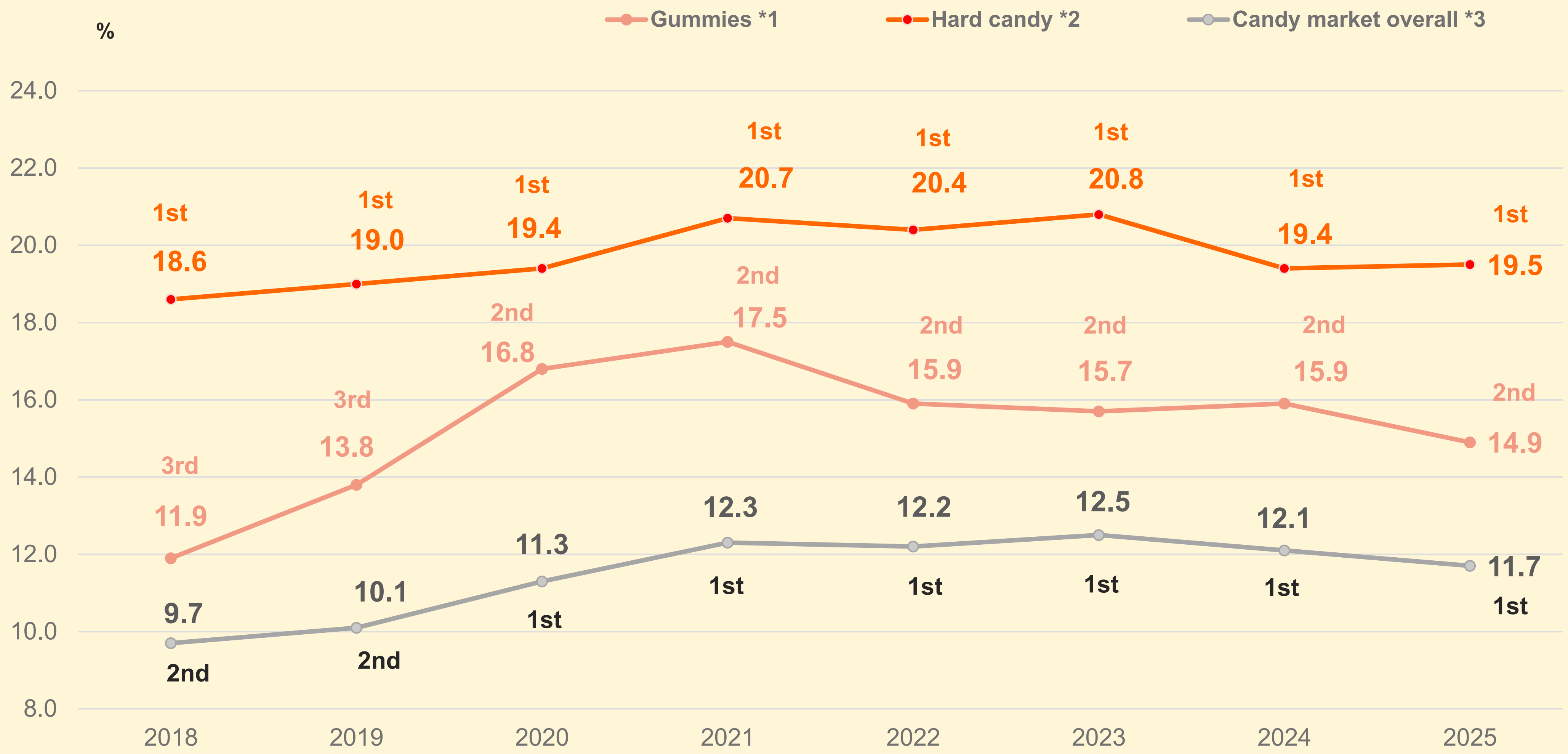
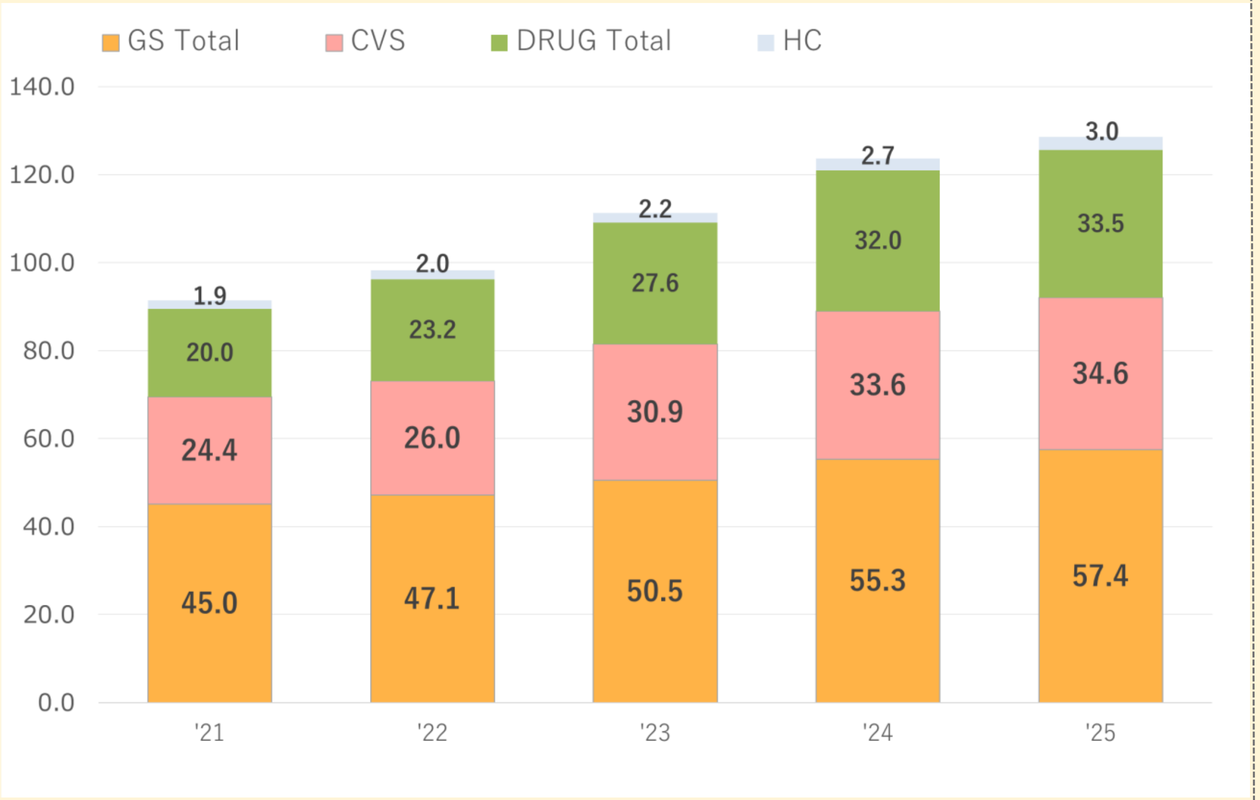


*1: INTAGE Inc. SRI+ Gummy market Jan.–Dec. total for 2018–2025, share of sales amount by type (composition)
*2: INTAGE Inc. SRI+ Hard candy market Jan.–Dec. total for 2018–2025, share of sales amount by type (composition)
*3: INTAGE Inc. SRI+ Candy market Jan.–Dec. total for 2018–2025, share of sales amount

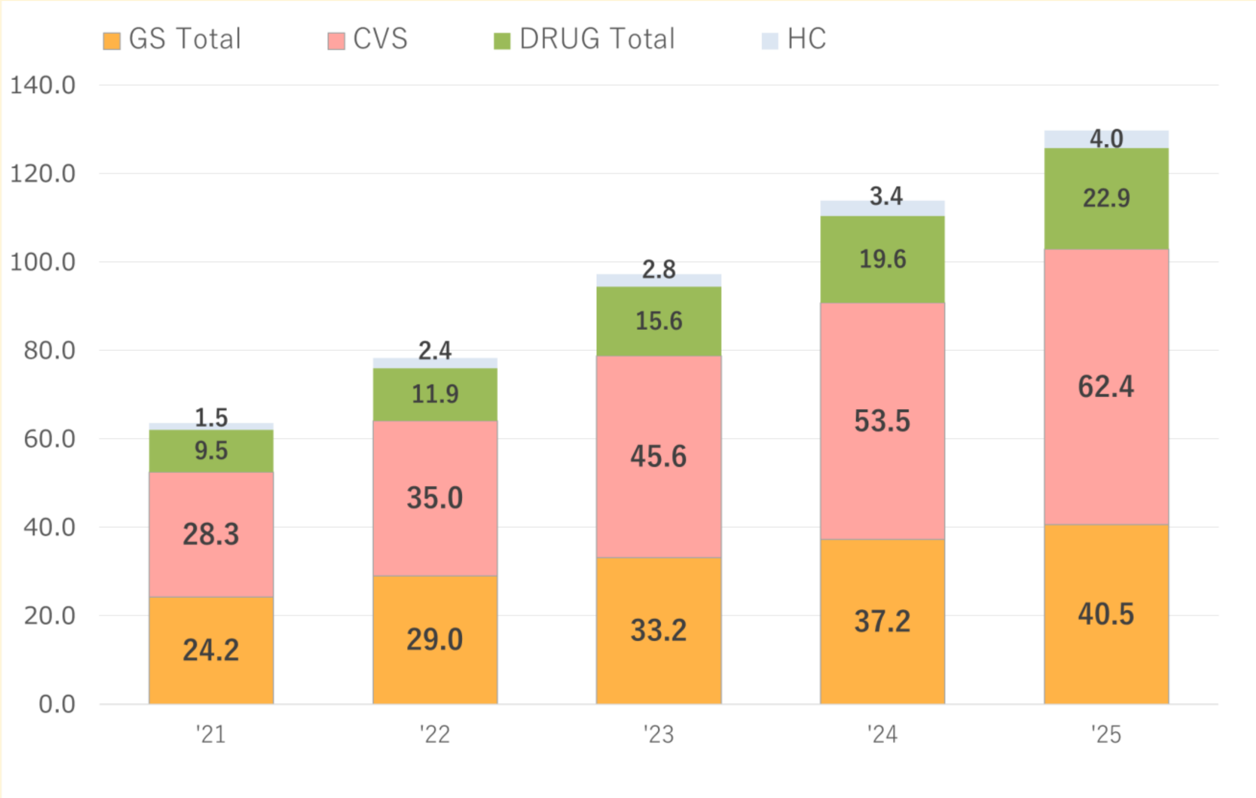
Hard candy + Gummies market: Trends in sales amount by business category

◆Hard candy



◆Gummies

Unit: JPY bn



* INTAGE Inc. SRI+: Changes in sales amount by business category for Hard candy and Gummies, 2021–2025 (Jan.–Dec. total for each year)
* GS: Grocery store, CVS: Convenience store, DRUG: Pharmacy/Drugstore, DIY: DIY store

Hard Candy market: YoY by category (Jan. to Jun.)

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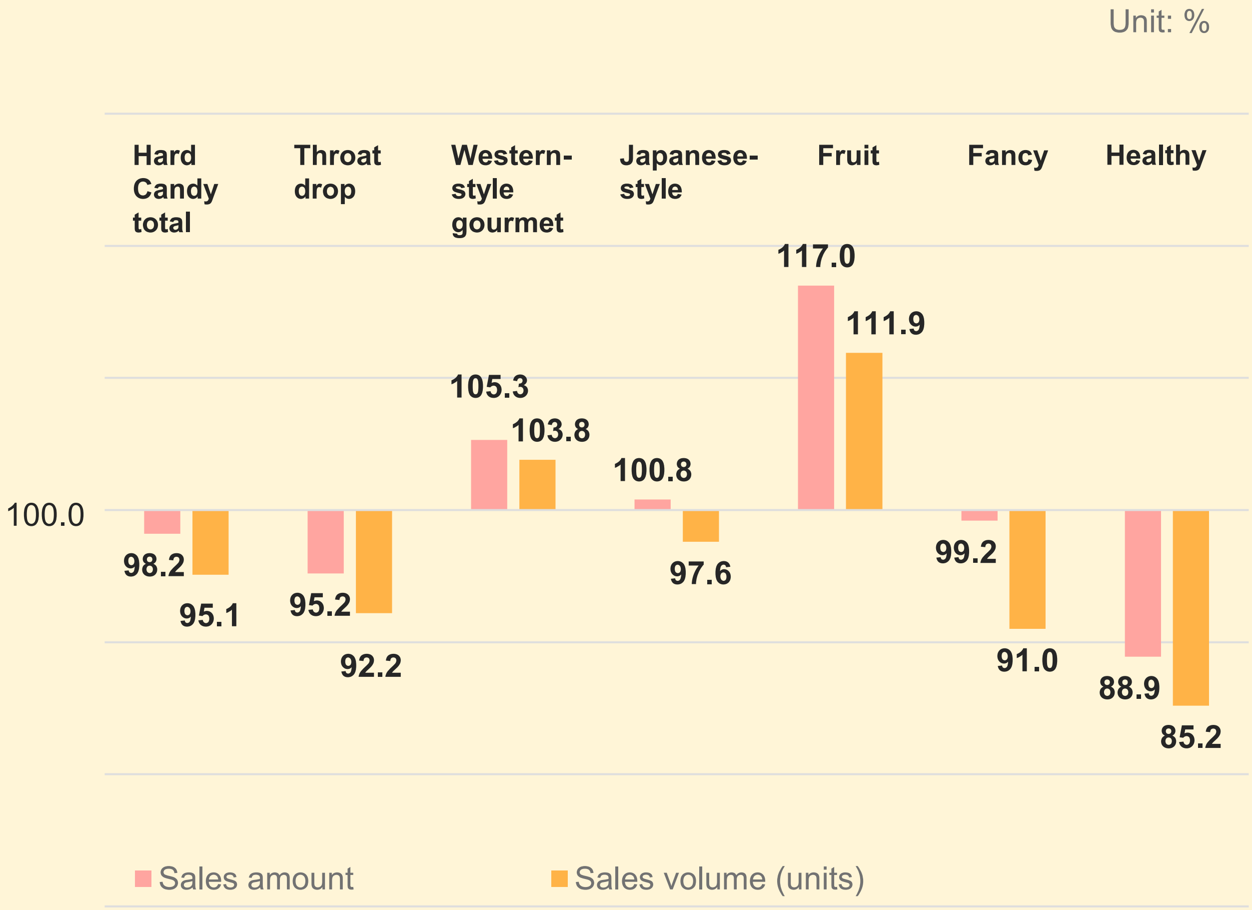
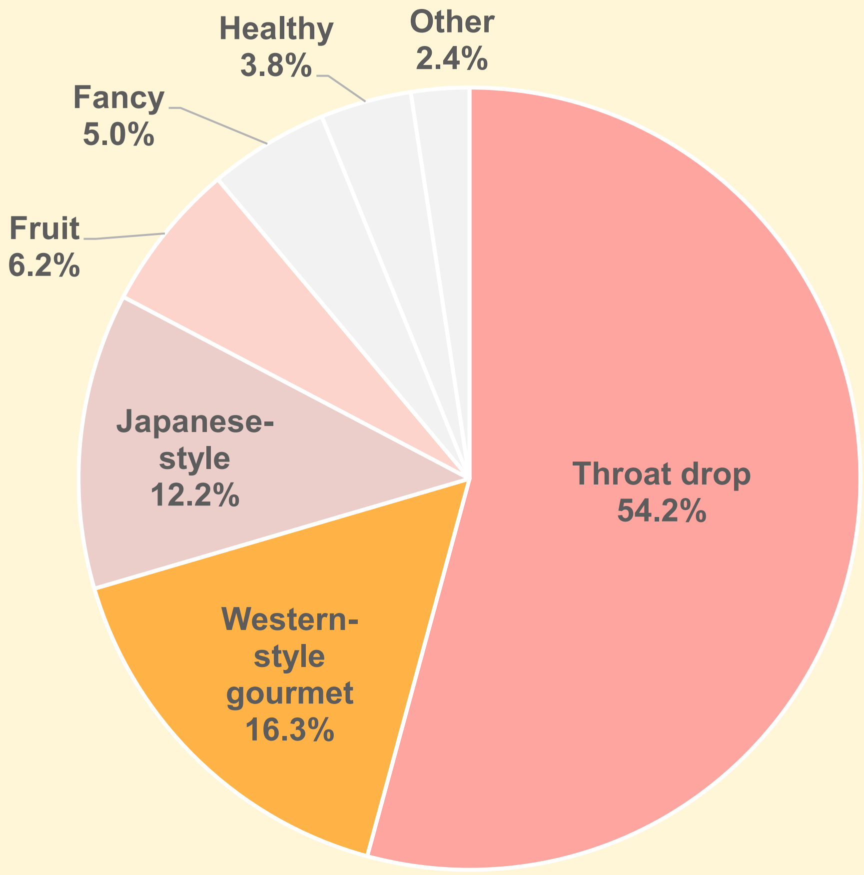
◆ Sales amount / volume (units), YoY



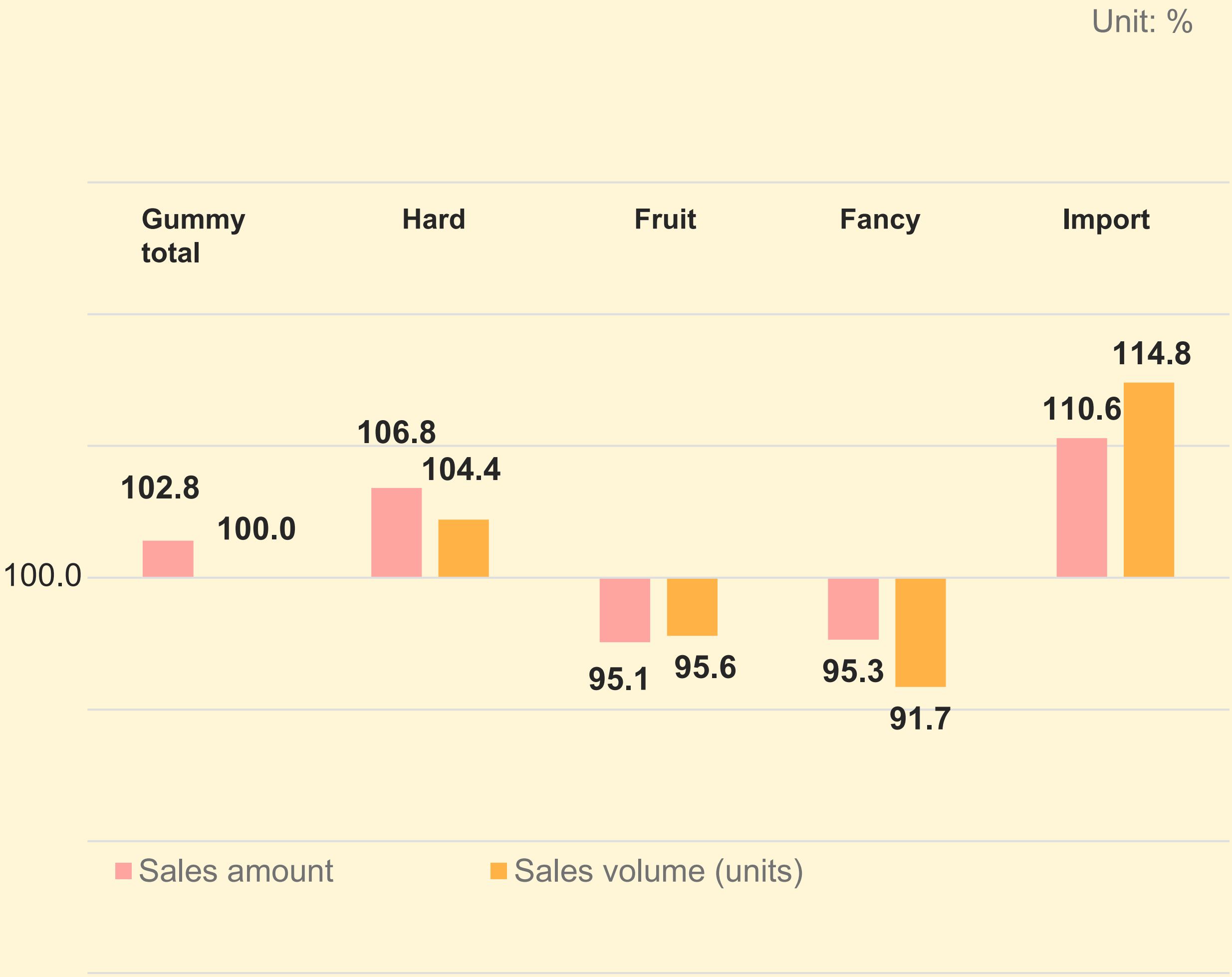
◆ Sales amount composition



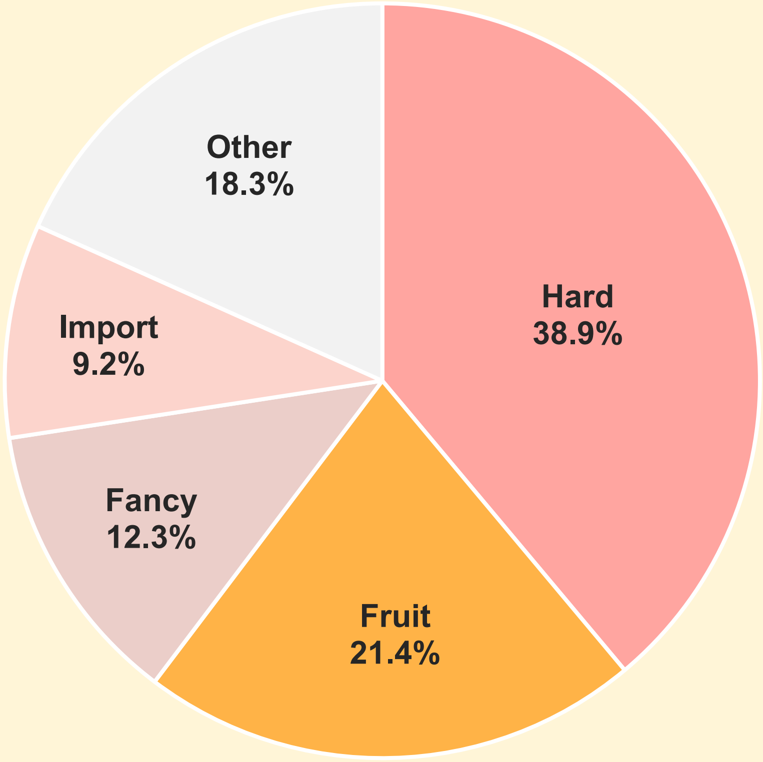
* INTAGE Inc. SRI+; Jan.–Jun. total for 2025–2026; estimated sales amount and estimated sales volume (units)
* Category classifications within the composition are based on Kanro's definitions.

Gummy market: YoY by category (Jan. to Jun.)

◆ Sales amount / volume (units), YoY



◆ Sales amount composition



* INTAGE Inc. SRI+; Jan.–Jun. total for 2025–2026; estimated sales amount and estimated sales volume (units)
* Category classifications within the composition are based on Kanro's definitions.

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Disclaimer

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Moreover, information contained herein is not continuously updated, and the reader should be aware that the content may be revised or withdrawn without prior notice.

Inquiries related to these materials should be directed to Kanro Inc. at tel. +81-3-3370-8811

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https://www.kanro.co.jp/en/ir/

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