

FY2027(First quarter of the fiscal year endding March 31, 2027) Consolidated Business Results

**Aug 3,2026
Kotobuki Spirits Co.,Ltd.**



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Summary of Financial Results FY2027 (1Q)

*** Amounts in this document are rounded down to the nearest million yen.**

FY2027(1Q)Highlight

Results of FY2027 (1Q) (April-June)

Sales and profits reach record highs on a quarterly basis

- **Net sales increased 10.0% and ordinary income increased 20.3%, with proactive initiatives driving both net sales and profit at each level to record highs on a quarterly basis.**
- **Inbound sales (international terminal sales) reached 2,698 million yen, up 1.9% year on year, surpassing the prior-year level, despite headwinds from the deterioration in Japan-China relations, supported by strengthened countermeasures.**
- **During the period, we opened five new stores and closed one store, including the launch of our new brand “MILLI MILLI” at Isetan Shinjuku and "Hakata ORIOORI" at Daimaru Fukuoka Tenjin in May, as well as the renewal opening of "Tokyo Milk Cheese Factory" Gransta Tokyo store in June.**

FY2027(1Q) Topics ① New Store Openings(new brand)

Sucrey Group is Actively Expanding Its New Brand with Stores in Prime Locations.
The new brand “MILLI MILLI” has opened at the Isetan Shinjuku store.



Opened on May 20, 2026 “MILLI MILLI Isetan Shinjuku Store”

Sucrey Group opened its new brand, “Hakata Oriori,” at Daimaru Fukuoka Tenjin



HAKATA
ORIOORI

Opened on May 20, 2026 “Hakata ORIOORI Daimaru Fukuoka Tenjin Store”

FY2027(1Q) Topics ② New Store Openings

KCC Group opened “Okada Kinsei Anbataya” at Lumine Omiya.



Opened on April 23, 2026 “Okadakinsei Anbataya Lumine Omiya Store”

The Kotobuki Seika Group opened “newQ Naha Airport Store.”



Opened on June 21, 2026 “newQ Naha Airport Store”

The Sucrey Group reopened “Tokyo Milk Cheese Factory Gransta Tokyo store.”



東京ミルクチーズ工場

Opened on June 15, 2026 “Tokyo Milk Cheese Factory Gransta Tokyo store.”

Results of FY2027 1Q(YoY)

Net sales +10.0% (YoY), Ordinary profit +20.3% (YoY)

(Millions of yen,%)	FY2026(1Q)		FY2027(1Q)		YoY	
	amount	to-sales rate	amount	to-sales rate	Change	%
Net sales	16,976	—	18,668	—	1,692	10.0
Gross profit	10,305	60.7	11,549	61.9	1,244	12.1
SG&A expenses	6,865	40.4	7,397	39.6	531	7.7
Operating profit	3,439	20.3	4,152	22.2	712	20.7
Ordinary profit	3,472	20.5	4,178	22.4	706	20.3
Net profit (*1)	2,303	13.6	2,731	14.6	428	18.6
EPS(Yen)	14.92		17.69		2.77	

(*1) net profit attributable to owners of the parent

Sales channel

Domestic retail sales increased due to new store openings and the impact of various initiatives. Domestic wholesale sales increased due to growth at the Kotobuki Seika Group.

(Millions of yen,%)	FY2026(1Q)		FY2027(1Q)		YoY(Change)	YoY(%)
	amount	To-sales rate	amount	To-sales rate		
Net sales	16,976	—	18,668	—	1,692	10.0
Domestic(Wholesales)	7,562	44.5	8,257	44.2	694	9.2
Domestic(Retail) (*1)	7,913	46.6	8,841	47.4	928	11.7
Mail Order	1,193	7.0	1,244	6.7	50	4.2
Other (*2)	1	0.0	1	0.0	0	-
Domestic Total	16,671	98.2	18,345	98.3	1,674	10.0
Overseas(Wholesale) (*3)	220	1.3	189	1.0	△ 31	△ 14.3
Overseas(Retail)	84	0.5	133	0.7	49	58.7
Overseas Total	305	1.8	322	1.7	17	5.9

(*1) Retail are shops and Pop up stores. (*2) Other is insurance agency business.

(*3) Overseas wholesale consists shipment sales to overseas and FC royalties

(supplementary) Inbound sales (international terminal sales)

Inbound sales increased by 1.9% YoY

(Millions of Yen)	1Q	2Q	3Q	4Q	通期
FY2026	2,698				
FY2026	2,646	2,436	2,930	2,687	10,701
FY2025	2,305	2,338	2,765	2,613	10,022

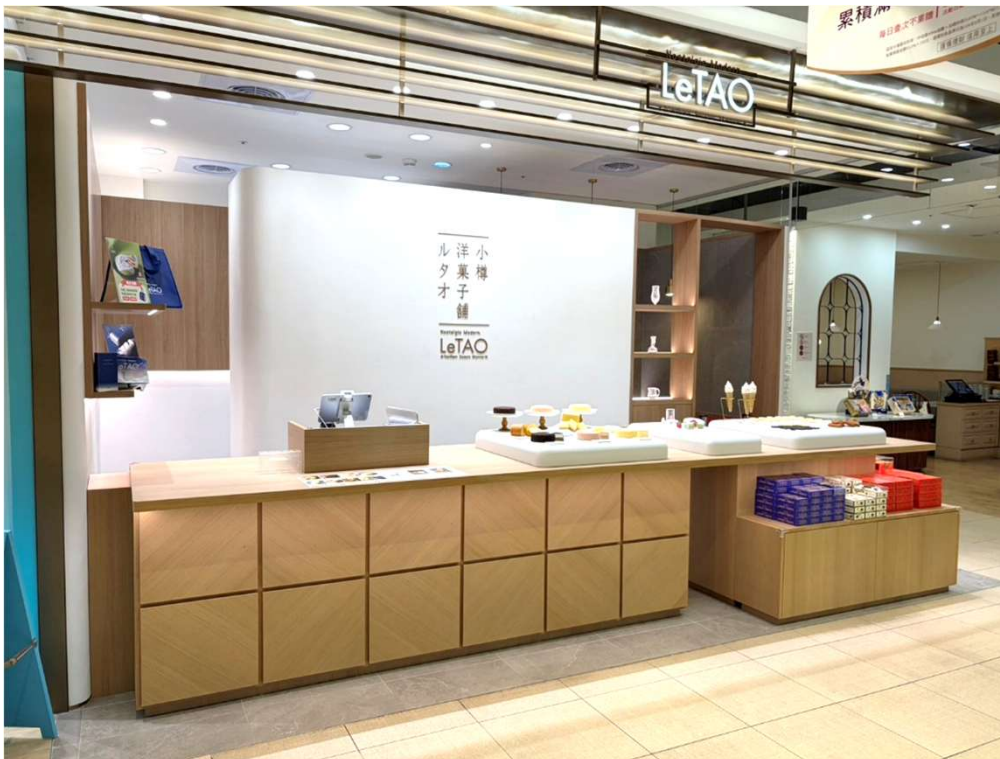
We mobilized its full strength to secure sales floor space at the duty-free shop (confectionery and food area) in Terminal 1 of Kansai International Airport, which opened on June 2, 2026.



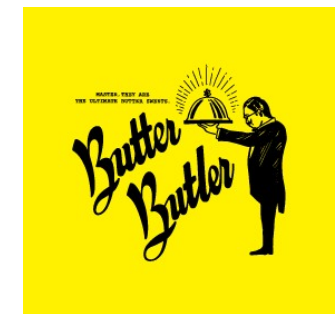
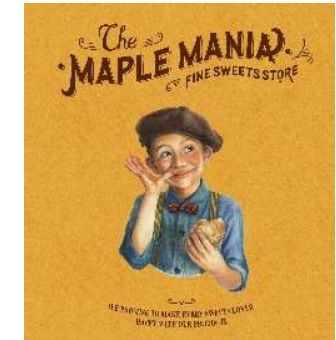
(Supplementary) Overseas sales

(Unit:Millions of yen)	FY2025 (1Q)	FY2026 (1Q)	YoY (Change)	YoY (%)
Taiwan (*1)	84	135	51	60.9
Singapore	72	50	△ 22	△ 31.0
Australia	83	70	△ 12	△ 15.4
Others	64	66	2	3.2
Total	305	322	28	5.9

(*1) Sales in Taiwan consist of local sales by our consolidated subsidiary and OEM sales.



(Taiwan)
LeTAO Fuxing SOGO Store
Opened on July 1, 2026



Cost of sales ▪ Gross profit

Gross profit rate improved by 1.2 percentage points, driven by pricing adjustments and other factors.

(Millions of Yen,%)	FY2026(1Q)		FY2027(1Q)		YoY(change)	YoY(%)
	amount	To-sales rate	amount	To-sales rate		
Net sales	16,976	—	18,668	—	1,692	10.0
Material cost	4,431	26.1	4,519	24.2	87	2.0
Labor cost	1,474	8.7	1,446	7.7	△ 27	△ 1.9
Expense	816	4.8	888	4.8	72	8.9
Manufacturing cost	6,722	39.6	6,854	36.7	132	2.0
Others	△ 51	△ 0.3	264	1.4	315	-
Cost of sales	6,670	39.3	7,118	38.1	448	6.7
Gross profit	10,305	60.7	11,549	61.9	1,244	12.1

SG&A expenses /Operating profit

The SG&A expense ratio improved by 0.8 percentage points, driven by the revenue growth effect.

(millions of Yen,%)	FY2026(1Q)		FY2027(1Q)		YoY(change)	YoY(%)
	amount	To-sales-rate	amount	To-sales-rate		
Gross profit	10,305	60.7	11,549	61.9	1,244	12.1
Personnel expenses	2,611	15.4	2,622	14.0	10	0.4
Promotion	1,102	6.5	1,274	6.8	171	15.6
Freight	603	3.6	624	3.3	20	3.5
Advertising	152	0.9	224	1.2	71	47.0
Rent and Commission	1,670	9.8	1,850	9.9	180	10.8
Depreciation	114	0.7	138	0.7	23	20.5
traveling and transportation expenses	112	0.7	112	0.6	0	0.6
Others	498	2.9	549	2.9	51	10.3
SG&A expenses	6,865	40.4	7,397	39.6	531	7.7
Operating profit	3,439	20.3	4,152	22.2	712	20.7

Results of FY2027(1Q) (SEGMENTS)

All Major Segments Achieved Growth in Both Revenue and Profit

(Millions of Yen, %)	Net sales				Operating profit(Δloss)		
	FY2026 (1Q)	FY2027 (1Q)	YoY(Change)	YoY(%)	FY2026 (1Q)	FY2027 (1Q)	YoY(Change)
SUCREY GROUP	8,079	8,629	550	6.8	1,306	1,641	335
KCC GROUP (* 1)	4,891	5,376	485	9.9	869	1,016	146
KOTOBUKISEIKA GROUP	3,818	4,293	475	12.5	835	1,033	198
SALES SUBSIDIARIES	1,779	1,952	173	9.7	208	276	68
OTHERS (* 2)	100	148	48	48.1	Δ 13	Δ 3	10
SEGMENT TOTAL	18,668	20,401	1,732	9.3	3,205	3,965	760
ADJUSTMENT	Δ 1,692	Δ 1,733	Δ 40	-	234	186	Δ 47
TOTAL	16,976	18,668	1,692	10.0	3,439	4,152	712

(* 1) Effective April 1, 2026, KCC established Hakone Tokinomi Co., Ltd. as a wholly owned subsidiary, and accordingly changed its segment name to "KCC Group."

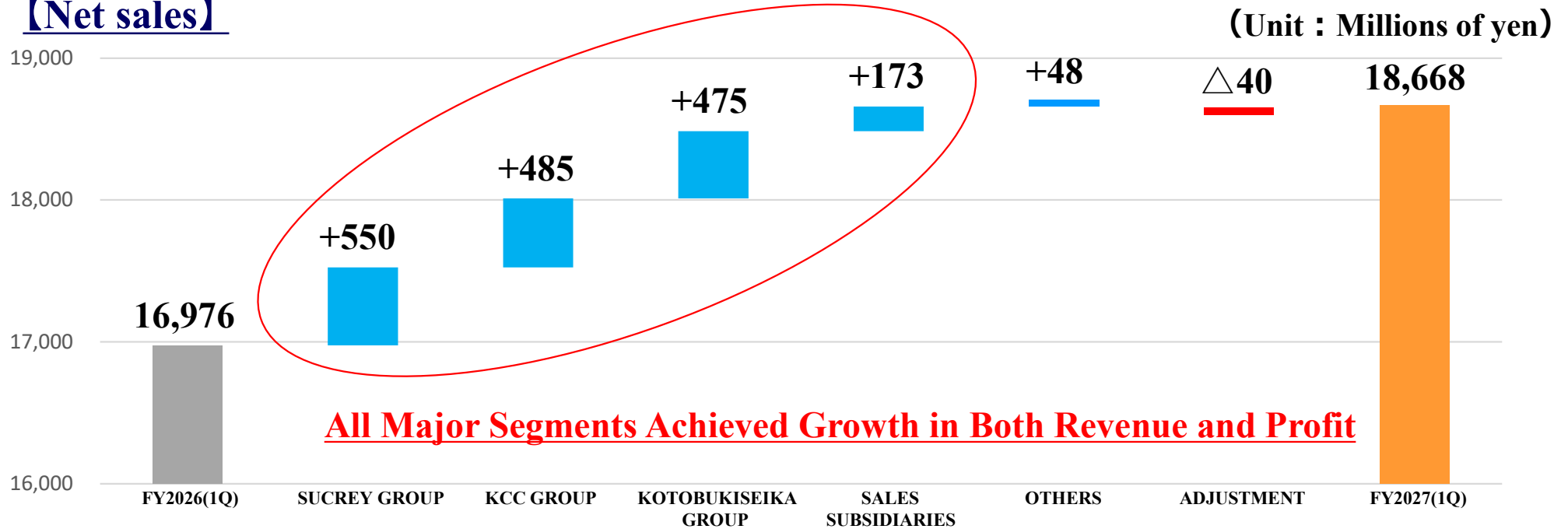
(* 2) "Others" includes the non-life insurance agency business, health food business, and confectionery business overseas (Taiwan).

Supplemental Explanation of Results by Segment

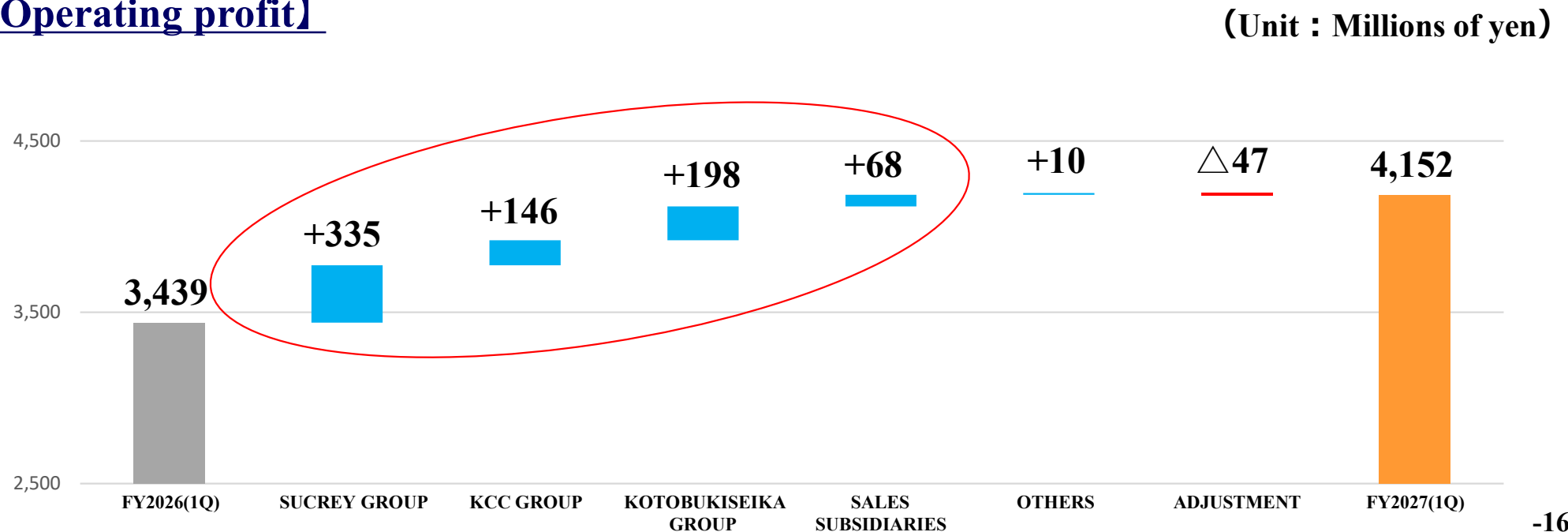
SUCREY GROUP	We worked to enhance brand appeal by centering on core products while adding new offerings including seasonal limited-edition items across each brand — such as campaign activations for “Butter Butler” celebrating its 10th anniversary, and strengthened sales of “COCORIS” renewed flagship product “Sand Cookies.” In the Fukuoka and Nagasaki areas, we expanded wholesale distribution of “Hakattarashi,” a new Hakata souvenir launched in December of last year, and in April opened the third “Tante Annie” location at Nagasaki Airport. For inbound measures, we focused on increasing sales staff and expanding pop-up event operations to grow our presence at international terminal sales floors. In terms of store openings and closings, we opened new brand “MILLI MILLI” at Isetan Shinjuku store and new brand “Hakata ORIOORI” at Daimaru Fukuoka Tenjin store in May, followed by the renewal opening of “Tokyo Milk Cheese Factory” Gransta Tokyo store in June, resulting in three new openings and one closure during the period.
KCC	To further enhance the brand value of “LeTAO,” we worked to strengthen brand appeal at each directly operated store by sequentially launching new limited-edition sweets centered on our core products — including reinforced sales of the exclusive new sweet “Garenutty” at LeTAO Sapporo Daimaru store and the limited sweet “Amignon” at LeTAO Canal Plaza store. For inbound measures, we focused primarily on international terminal locations, reinforcing our sales staff and expanding pop-up event operations featuring our new brand “Okada Kinsei Chaoriya.” For our Greater Tokyo area brands such as “Pista & Tokyo,” we concentrated on limited-time pop-up openings to raise brand awareness. In terms of new store openings, we opened “Okada Kinsei Anbataya” at Lumine Omiya in April of this year.
Kotobuki Seika GROUP	We focused on developing new products and actively promoted proposal-based sales to major distributors and sales subsidiaries. In Okinawa, we worked to advance OEM development in collaboration with major distributors and strengthen our own-brand pineapple sweets specialty store “newQ.” We also opened the second “newQ” location at Naha Airport in June of this year. In our home region of San'in, we promoted sales floor proposals centered on our flagship product “Inaba no Shirousagi.”
Sales subsidiaries	At each sales location, we focused on reinforcing our core products, launching new products tailored to regional characteristics, and implementing inbound measures. By area: in the Tokai region, we strengthened sales of our flagship product “Ogura Toast Langue de Chat,” which celebrated its 15th anniversary; in the Kansai region, we worked to boost sales of new product “Osaka Tora-sand” and seasonal limited-edition “Osaka Mitarashi-Mizumanjyu.” In the Fukuoka region, we focused on expanding the “Hakata Makkana Ichigo” brand and strengthening sales of new product “Hakata Ryotei Chikaé Mentai Tempura Senbei.”

FY2027(1Q) increase or decrease of amount

【Net sales】



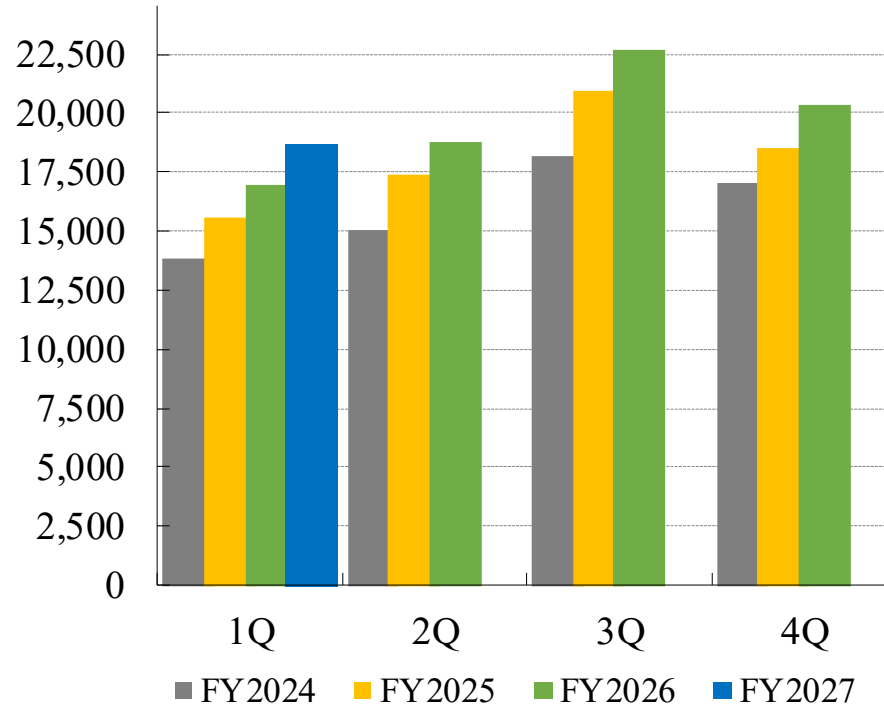
【Operating profit】



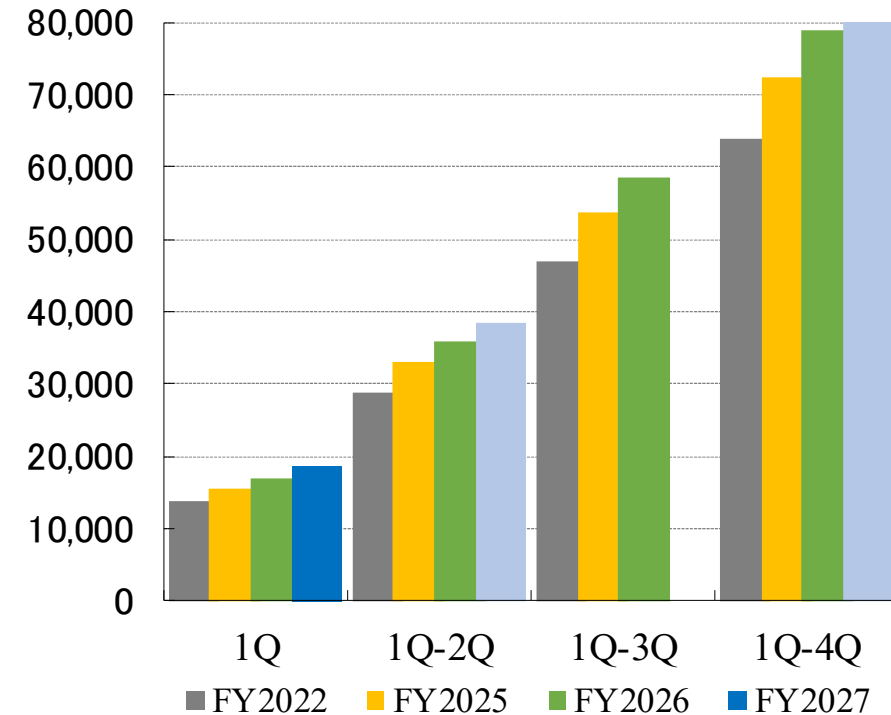
Net sales

Progress toward the 1Q–2Q earnings forecast is at 48.7%

Net sales (Quarter)



Net sales (Cumulative)



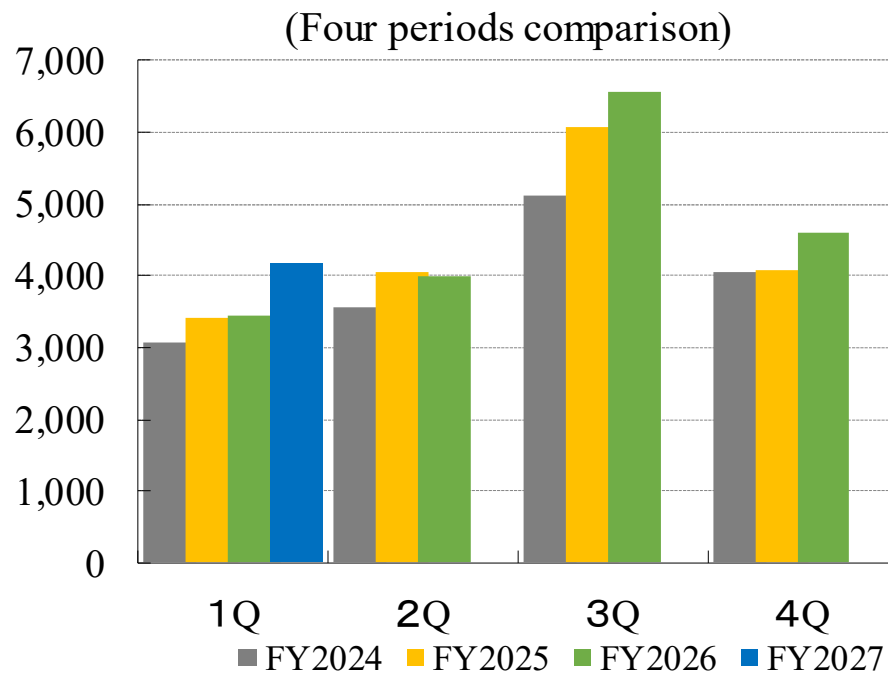
(百万円)	Quarter				Cumulative Quarter			
	1Q	2Q	3Q	4Q	1Q	1Q-2Q	1Q-3Q	1Q-4Q
FY2024	13,853	15,037	18,144	16,999	13,853	28,891	47,036	64,035
FY2025	15,526	17,379	20,901	18,541	15,526	32,906	53,807	72,349
FY2026	16,976	18,811	22,697	20,295	16,976	35,787	58,485	78,781
FY2027	18,668				18,668	38,300		84,500
YoY	110.0%				110.0%	107.0%	0.0%	107.3%

FY2027 1Q-2Q, 1Q-4Q Forecast

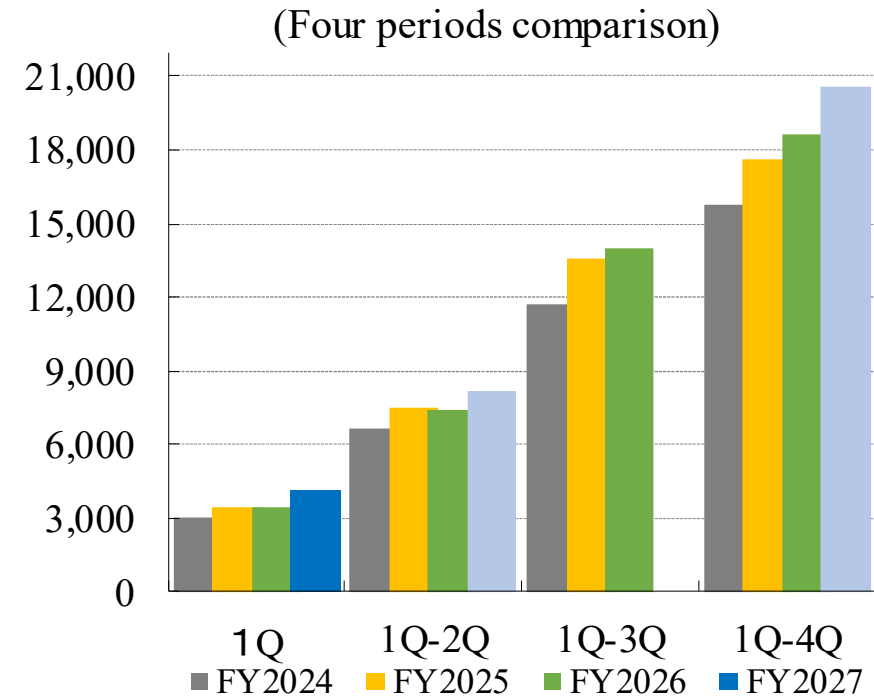
Operating profit

Progress toward the 1Q–2Q earnings forecast is at 50.7%

Operating profit (Quarter)



Operating profit (Cumulative)



Millions of yen	Quarter				Cumulative Quarter			
	1Q	2Q	3Q	4Q	1Q	1Q-2Q	1Q-3Q	1Q-4Q
FY2024	3,058	3,563	5,111	4,046	3,058	6,622	11,734	15,780
FY2025	3,428	4,048	6,069	4,065	3,428	7,476	13,545	17,610
FY2026	3,439	4,001	6,570	4,586	3,439	7,441	14,011	18,598
FY2027	4,152				4,152	8,190		20,550
YoY	120.7%				120.7%	110.1%		110.5%

Balance Sheet

The decrease in current assets was primarily due to a decrease in cash and deposits.

(millions of Yen,%)	FY2025		FY2026		FY2027(1Q)		Compared to FY2026	
	amount	rate	amount	rate	amount	rate	(Change)	(%)
Current assets	37,649	72.4	44,775	74.4	40,236	71.5	△ 4,538	△ 10.1
Non-curent assets	14,331	27.6	15,367	25.6	16,063	28.5	695	4.5
Assets	51,980	100.0	60,142	100.0	56,299	100.0	△ 3,843	△ 6.4
Current liabilities	9,735	18.7	10,102	16.8	8,863	15.7	△ 1,239	△ 12.3
Non-current liabilities	2,158	4.2	2,103	3.5	2,145	3.8	41	2.0
Liabilities	11,894	22.9	12,206	20.3	11,008	19.6	△ 1,197	△ 9.8
Net assets	40,085	77.1	47,936	79.7	45,290	80.4	△ 2,645	△ 5.5
Liabilities and net asset	51,980	100.0	60,142	100.0	56,299	100.0	△ 3,843	△ 6.4
BPS (Yen)	259.67		310.37		293.22		△ 17.15	△ 5.5
CAPEX	3,357		2,570		1,000		-	-
Depreciation	1,462		1,691		410		-	-



Business Forecast for FY2027

Supplementary Explanation of Business Forecast for FY 2027

● Change in scope of consolidation, etc.	In April of this year, “Hakonetokinomi Co., Ltd.,” a wholly owned subsidiary of KCC, was established. The former Hakone Ashinoyu Flower Center will be renovated and opened under a new brand in July of this year (planned). In addition, the name of the reportable segment that had been “KCC” was changed to “KCC Group.”
● Store Openings and Closings, etc.	In FY27/3, the company plans to open a total of 7 stores and close 1 store, including Lumine Omiya (opened in April), Naha Airport, Daimaru Fukuoka, Isetan Shinjuku, Tokyo Station, and Hakone (street-level store).
● Inbound sales (international terminal sales)	With the expectation that the impact of deteriorating Japan-China relations will continue for the foreseeable future, measures will be strengthened at the main international terminals, and a 7.5% increase year on year to 11.5 billion yen is planned.
● Capital investment, etc.	The capital investment plan is 4billion yen, mainly for renewal and acquisition of plant facilities. The new plant in Miyakojima City, Okinawa, for which investment will be recorded in FY28/3, is scheduled to start operation in June 2027. The planned investment is 2.9 billion yen (excluding the factory building to be leased).

《Hakone Tokinomi》

KCC was selected as the operator of the former "Hakone Ashinoyu Flower Center," which was put out to tender by the Town of Hakone. Leveraging the expertise cultivated through the development of LeTAO Otaru Confectionery in Otaru, Hokkaido, we plan to open a new confectionery brand with this property as its flagship store, targeting a launch by the end of September of this year. We will revitalize the facility as a destination that harmonizes with Hakone's natural surroundings, contributing to the creation of repeat visitors to the region.



《KMF》

A new factory is being established on Miyako Island in Okinawa Prefecture, with preparations underway for operations to commence in the summer of 2027



[Facility Overview]

Site area: 8,910 square metres

Factory floor area: approx. 3,000 square metres

[Tentative Schedule]

February 2027: Completion of the building

Summer 2027: Commencement of factory operations

[Production Capacity]

5 billion yen in the medium term

[Product Range]

Sand cokies

FinanciersTarts and other items



Business Forecast for FY2027

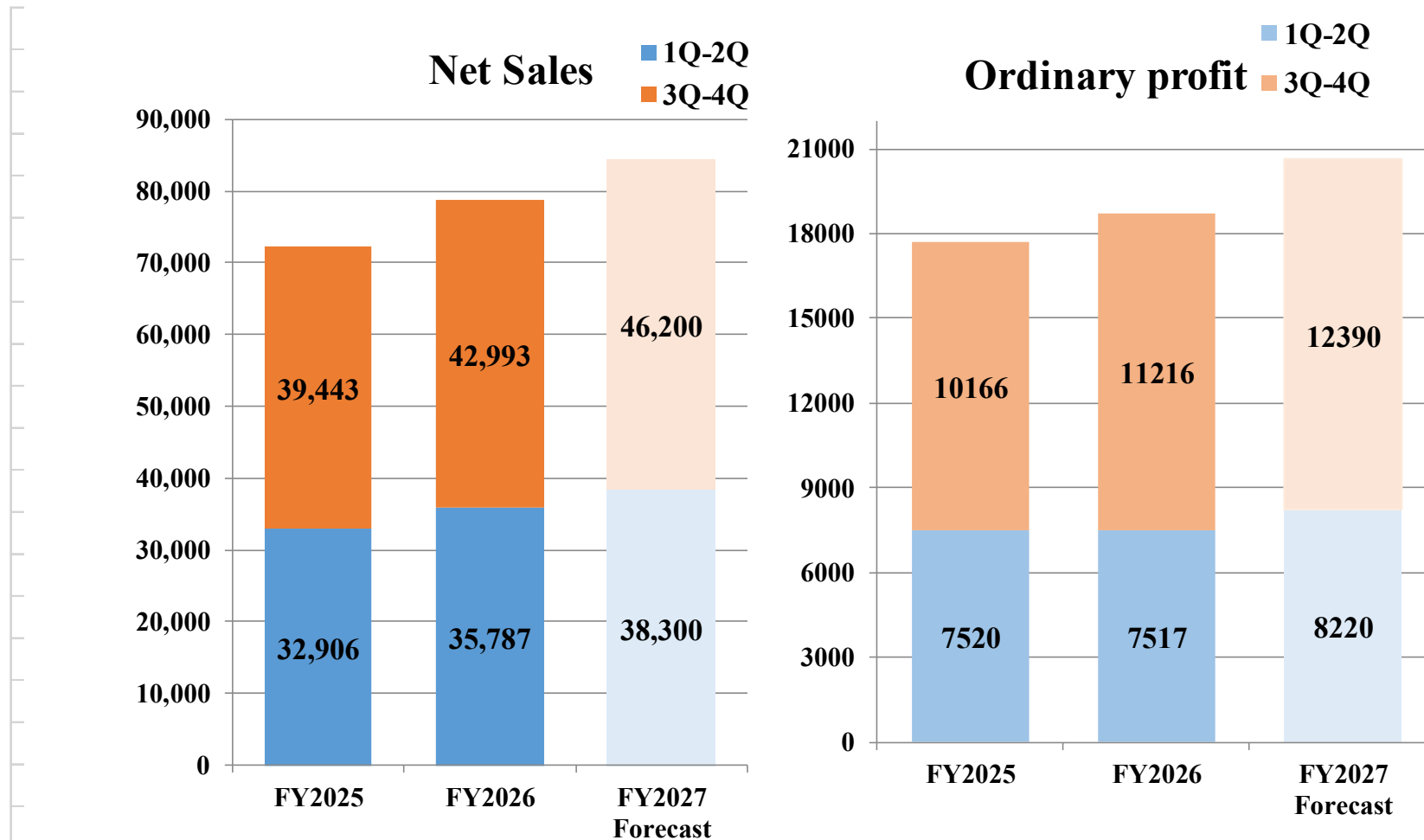
Net sales +7.3% / Operating profit+10.5% (YoY)

(millions of yen,%)	FY2026		FY2027(Forecast)		YoY(Change)	YoY(%)
	amount	To-sales rate	amount	To-sales rate		
Net sales	78,781	-	84,500	-	5,718	7.3
Gross profit	48,388	61.4	52,520	62.2	4,131	8.5
SG&A expenses	29,789	37.8	31,970	37.8	2,180	7.3
Operating profit	18,598	23.6	20,550	24.3	1,951	10.5
Ordinary profit	18,733	23.8	20,610	24.4	1,876	10.0
Net profit	12,557	15.9	13,810	16.3	1,252	10.0
EPS(yen)	81.32		89.42		8.10	10.0
Dividend/stock(yen)	35.00		45.00		10.00	28.6
CAPEX	2,570		4,000		1,429	55.6
Depreciation	1,691		1,750		58	3.5

Business Forecast for FY2027 (SEGMENTS)

(Million of Yen, %)	Net sales				Operating profit		
	FY2026	FY2027 (Forecast)	YoY(Change)	YoY(%)	FY2026	FY2027 (Forecast)	YoY(Change)
Sucrey Group	37,054	39,700	2,645	7.1	7,087	7,760	672
KCC Group	23,184	24,800	1,615	7.0	4,833	5,350	516
Kotobukiseika Group	16,298	17,550	1,251	7.7	3,823	4,267	443
Sales Subsidiaries	7,804	8,310	505	6.5	1,089	1,198	108
Others	674	700	25	3.8	28	28	△0
SEGMENTS TOTAL	85,016	91,060	6,043	7.1	16,862	18,603	1,740
ADJUSTMENT	△ 6,235	△ 6,560	△ 324	5.2	1,735	1,947	211
TOTAL	78,781	84,500	5,718	7.3	18,598	20,550	1,951

Business Forecast for FY2027(1Q-2Q 3Q-4Q)



	Net Sales						Ordinary profit					
	FY2025	(%)	FY2026	(%)	FY2027 Forecast	(%)	FY2025	(%)	FY2026	(%)	FY2027 Forecast	(%)
1Q-2Q	32,906	45.5%	35,787	45.4%	38,300	45.3%	7,520	42.5%	7,517	40.1%	8,220	39.9%
3Q-4Q	39,443	54.5%	42,993	54.6%	46,200	54.7%	10,166	57.5%	11,216	59.9%	12,390	60.1%
total	72,349	100.0%	78,781	100.0%	84,500	100.0%	17,686	100.0%	18,733	100.0%	20,610	100.0%



Future Management Policy and Segment Results Overview

Corporate Vision and Basic Policies

Corporate Philosophy

To Create happiness, Provide happiness

The corporate vision of our group was created by the late Shoichi Kawagoe, the founder of our company, and his predecessors, who overcame many trials and tribulations. While the pursuit of profit is not the only purpose of a company, in order for the company to continue to develop forever into the future, we must always place the highest priority on "making people happy," and the creation of products that will please our customers, continuing to provide services that will please our customers, contributing to local communities, and coexistence and co-prosperity are the company's raison d'etre and the mission of our company group.

Basic Policies

Today, I make an enthusiastic fan.

All employees of our group have a basic policy of "Making enthusiastic fans" in order to realize our corporate vision, which is to strive to make one enthusiastic fan of our company today, with whom we can build a lifelong relationship through a single confectionery item or by serving one customer.

<<About the Corporate Vision Notebook, "Kozuchi">>

The Group has created a corporate vision notebook, "Kozuchi," which clearly states its management philosophy (Philosophy), and strives to ensure that all employees are familiar with the corporate vision and thoroughly adhere to corporate ethics. The corporate vision notebook, "Kozuchi," is used in morning meetings, training sessions, and study groups held at each workplace unit. In addition, a "National Convention for Kozuchi Presentation" is held once a year to share the results of the implementation of the corporate vision with all employees and to produce even greater results.



National Convention for Kozuchi Presentation in January 2026

Vision

"General Producer of the Sweets "

Creating premium gift sweet brands from all over the country

As a “General Sweets Producer,” we will strive to create and cultivate “premium gift sweets” that pursue deliciousness and local characteristics under the theme of “creation of higher value,” and contribute to, coexist with, and prosper together with local communities, aiming to become a corporate group that is trusted and needed by society.



Future Management Policies

Management Slogan for 2026

Today, I make an enthusiastic fan

This is a daily task for all of us, the purpose of management, and something to implement under our corporate vision, “Create happiness, Provide happiness.” By continuously evolving in both thinking and action each day, today more than yesterday, tomorrow more than today, we will create lifelong enthusiastic fans with a single sweet or through a single customer service experience.



Medium- and Long-Term Management Objectives (Value Up Vision 2030)

● Corporate growth story

Further promotion of “ultra field-oriented” management with all member participation, based on the management philosophy

Based on our management philosophy, our group promotes human capital management by thoroughly practicing “ultra field-oriented management with all-employee participation,” in which each employee participates in management with a sense of ownership. We aim to create a dynamic and attractive corporate group and enhance our corporate value over the medium to long term.



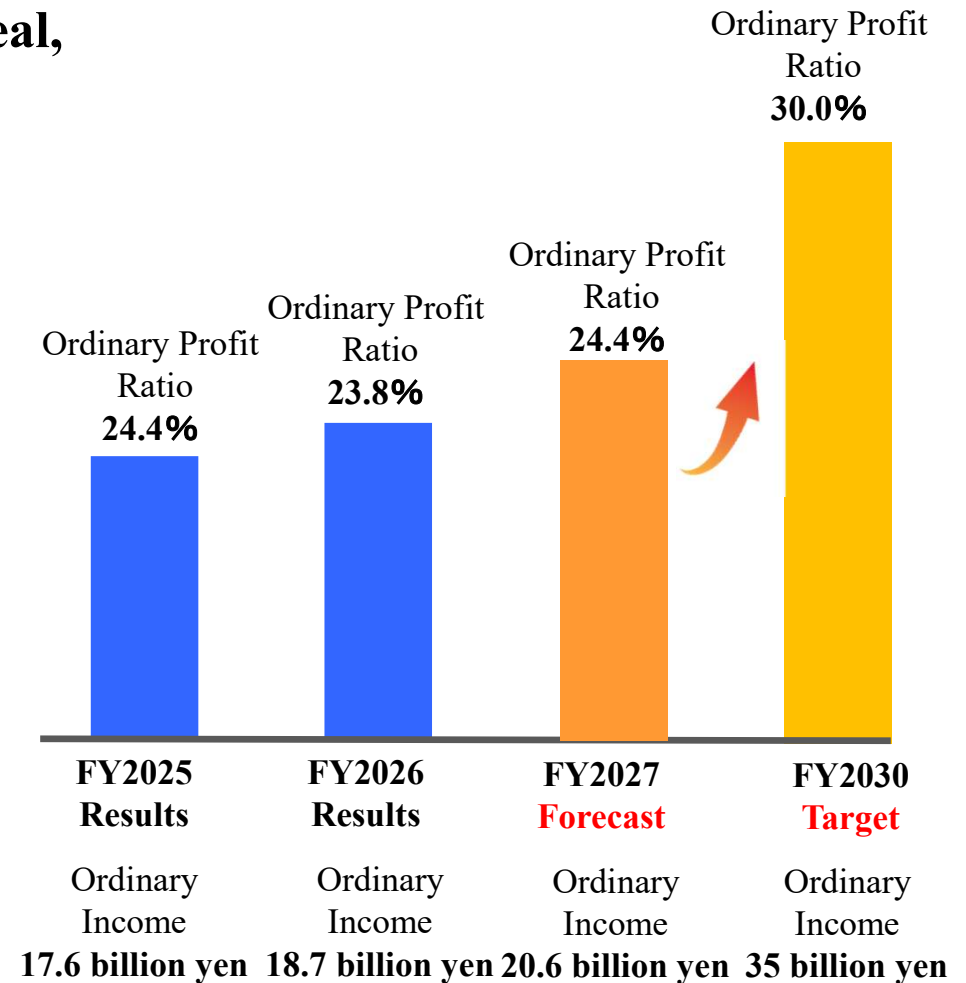
Medium- and Long-Term Management Objectives (Value Up Vision 2030)

● priority measures

- Value up of product appeal, sales floor appeal, and sales power
- Value Up Inbound Measures
- Value Up of human resources

● Target Indicators

- Ordinary profit rate: 30% (FY2030)
- Ordinary profit: 35 billion yen (FY2030)
- Average five-year sales growth rate 10%
- ROE 30% or more

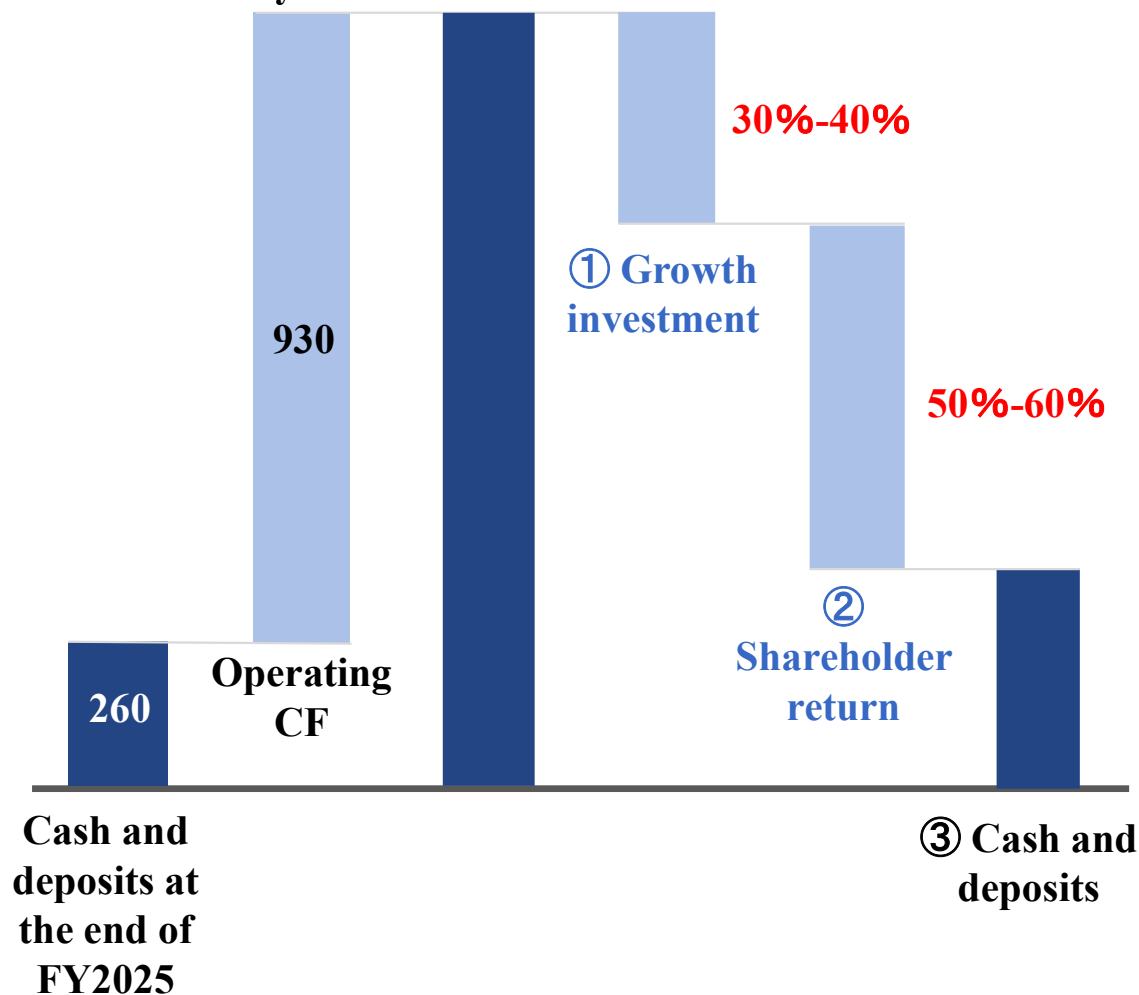


●Cash Allocation Policy

(5 years from FY2026 to FY2030)

Invest the cash generated in further growth and shareholder returns to promote high ROE management by further improving profitability. Aim to maximize corporate value

(100 million yen)



①Growth investment

Investment in factories (including maintenance and renewal of existing factories), investment in new growth through store openings, M&A, etc.

②Shareholder return

Increasing dividends in line with profit growth and implementing flexible share buybacks with an eye to achieving a total return ratio of at least 50%

③Cash and deposits

Maintaining liquidity on hand of approximately 30% of sales

Segment Overview

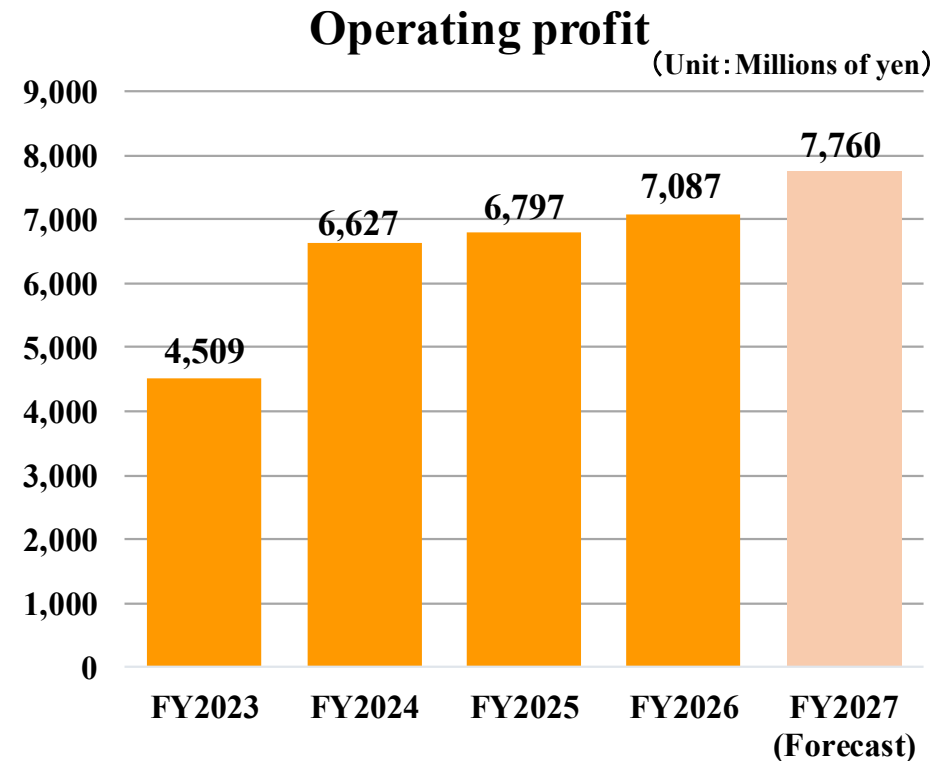
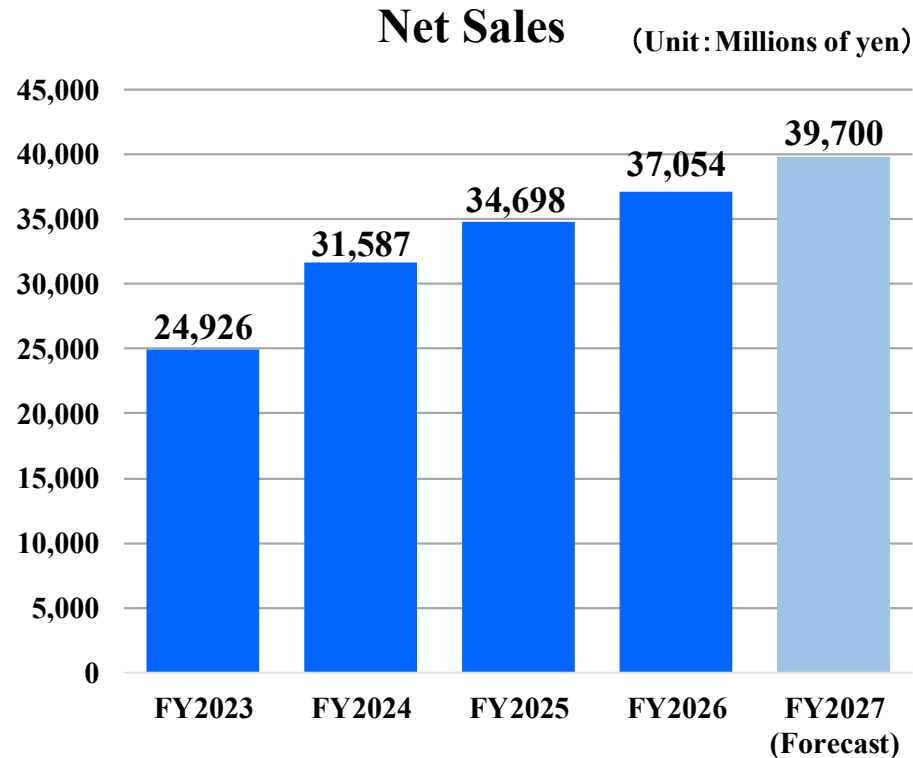


- **Sucrey Group**
(Sucrey/Kujyukushima Group)
- **KCC Group**
(KCC /Hakonetokinomi)
- **Kotobukiseika Group**
(Kotobuki Seika / Tajima Kotobuki / KMF)
- **Sales subsidiaries**
- **Others**

《Sucrey Group》

FY2027 (Forecast)

FY2027 : Net sales 39,700 million yen (+7.1% YoY) OP 7,760 million yen (+9.5% YoY)



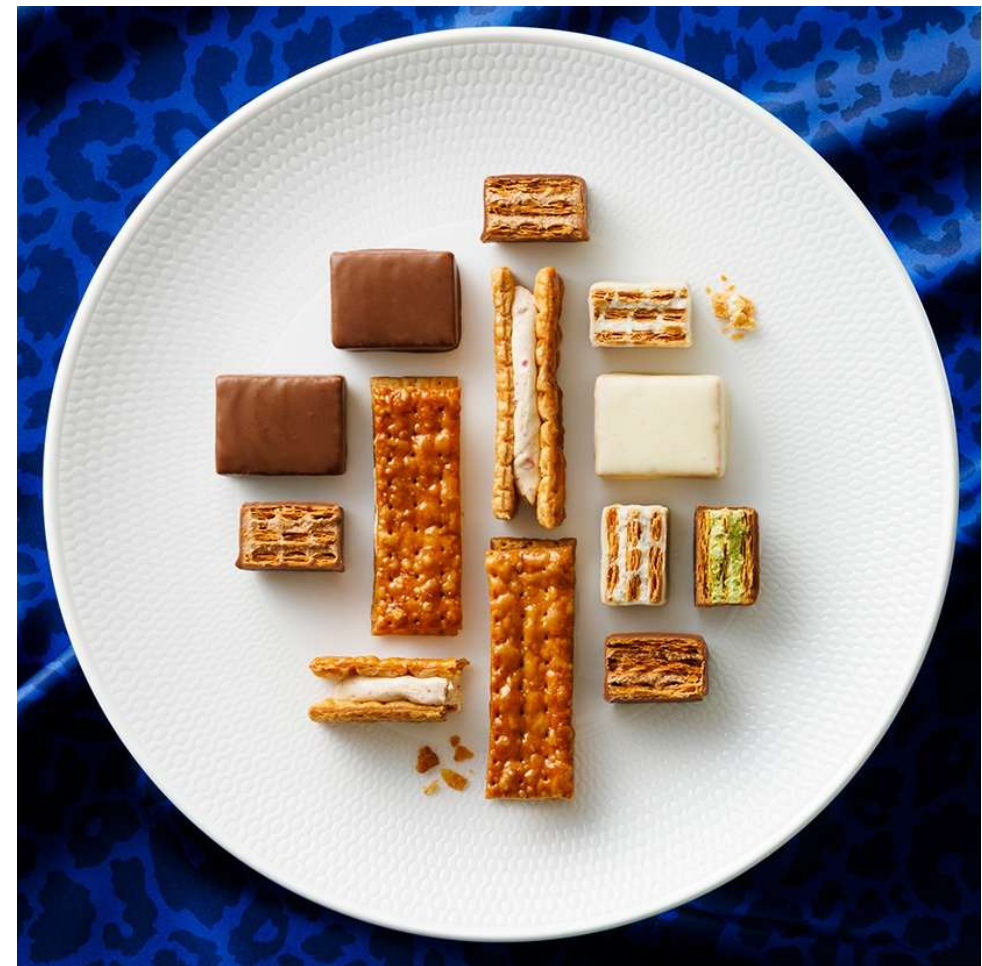
(Millions of yen,%)	FY2023	FY2024	FY2025	FY2026	YoY		FY2027 (Forecast)	YoY	
					(Change)	(%)		(Change)	(%)
Net sales	24,926	31,587	34,698	37,054	2,356	6.8	39,700	2,645	7.1
Gross profit	15,587	20,424	22,286	23,918	1,631	7.3	25,950	2,031	8.5
Gross profit rate	62.5	64.7	64.2	64.5	0.3	-	65.4	0.8	-
SG&A expenses	11,077	13,797	15,489	16,830	1,341	8.7	18,190	1,359	8.1
Operating profit	4,509	6,627	6,797	7,087	289	4.3	7,760	672	9.5

《Sucrey Group》

Promoting integrated management with the Kujukushima Group. Accelerating growth by further strengthening on-site capabilities to enhance brand value



COCORIS(Sand Cokie Salty Lemon)

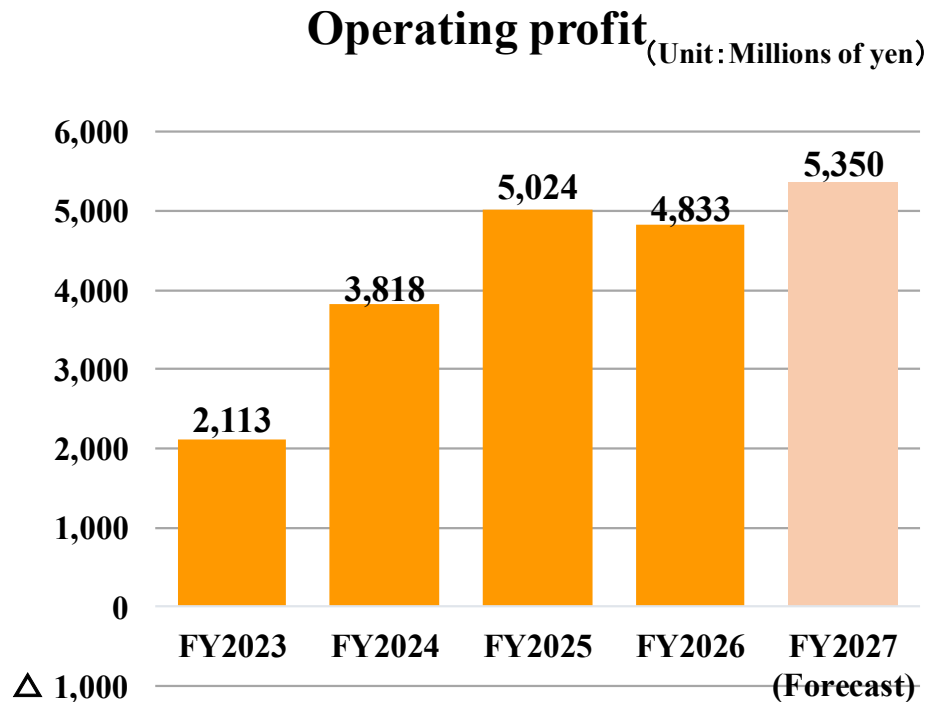
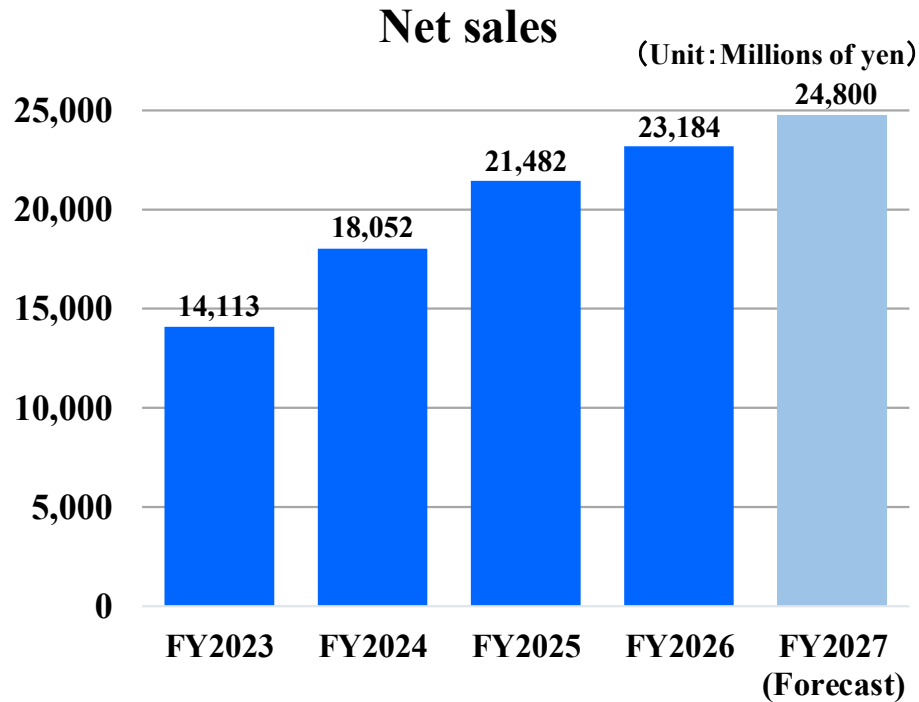


MILLI MILLI(mille-feuille・Pie Sand)

《KCC Group》

FY2027 (Forecast)

FY2027: Net sales **24,800 million yen (+7.0% YoY) OP **5,350** million yen (+10.7% YoY)**



(Millions of yen, %)	FY2023	FY2024	FY2025	FY2026	YoY		FY2027 (Forecast)	YoY	
					(Change)	(%)		(Change)	(%)
Net sales	14,113	18,052	21,482	23,184	1,701	7.9	24,800	1,615	7.0
Gross profit	8,149	10,938	13,378	14,117	738	5.5	15,330	1,212	8.6
Gross profit rate	57.7	60.6	62.3	60.9	△ 1.4	-	61.8	0.9	-
SG&A expenses	6,035	7,120	8,354	9,283	928	11.1	9,980	696	7.5
Operating profit	2,113	3,818	5,024	4,833	△ 190	△ 3.8	5,350	516	10.7

(Note) Following the establishment of Hakonetokinomi Co., Ltd. as a wholly-owned subsidiary on 1 April 2026, KCC has changed the name of the segment to 'KCC Group'.

《KCC Group》



Celebrating its 30th anniversary, K KCC is focusing on further enhancing the brand value of LeTAO and nurturing its Tokyo-based brands, such as ‘Pista & Tokyo’, ‘Now on Cheese ♪’ ‘Okada’s Kinsei Anbataya’ and ‘canarina’.



Okada Kinsei Chaori-ya (melon bread Matcha)

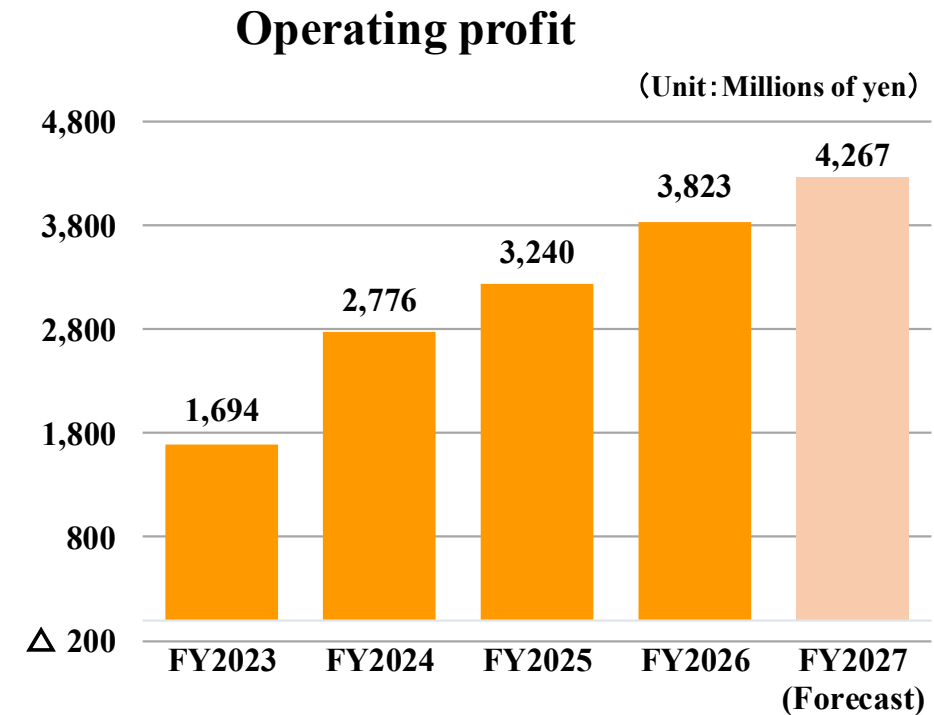
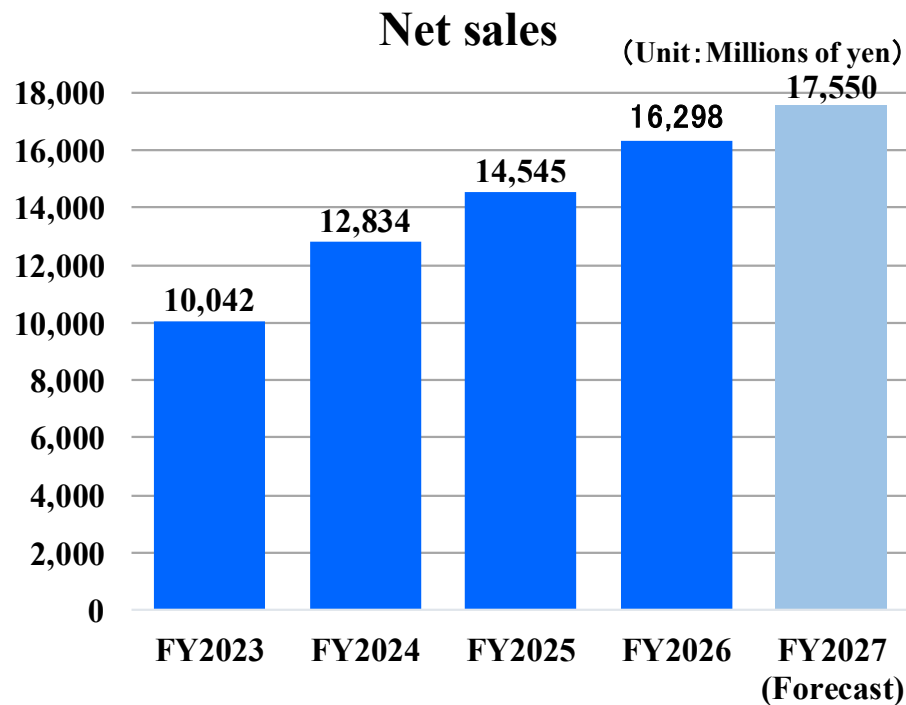


LeTAO (Le Monde du Fromage)

《Kotobukiseika Group》

FY2027 (Forecast)

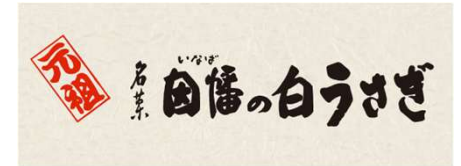
FY2027: Net sales 17,550 million yen (+7.7%YoY) OP 4,267 million yen (+11.6%YoY)



(Millions of yen, %)	FY2023	FY2024	FY2025	FY2026	YoY		FY2027 (Forecast)	YoY	
					(Change)	(%)		(Change)	(%)
Net sales	10,042	12,834	14,545	16,298	1,752	12.1	17,550	1,251	7.7
Gross profit	3,952	5,355	6,104	6,954	849	13.9	7,647	692	10.0
Gross profit rate	39.4	41.7	42.0	42.7	0.7	-	43.6	0.9	-
SG&A expenses	2,258	2,578	2,863	3,131	267	9.3	3,380	248	8.0
Operating profit(Δloss)	1,694	2,776	3,240	3,823	582	18.0	4,267	443	11.6

《Kotobukiseika Group》

We aim to achieve further growth by fostering our core products, promoting new product development, strengthening partnerships with distributors, and accelerating our expansion in Okinawa through the establishment of the Miyakojima plant, which is scheduled to begin operations in the summer of 2027.



newQ PAPAPAPANE TALT

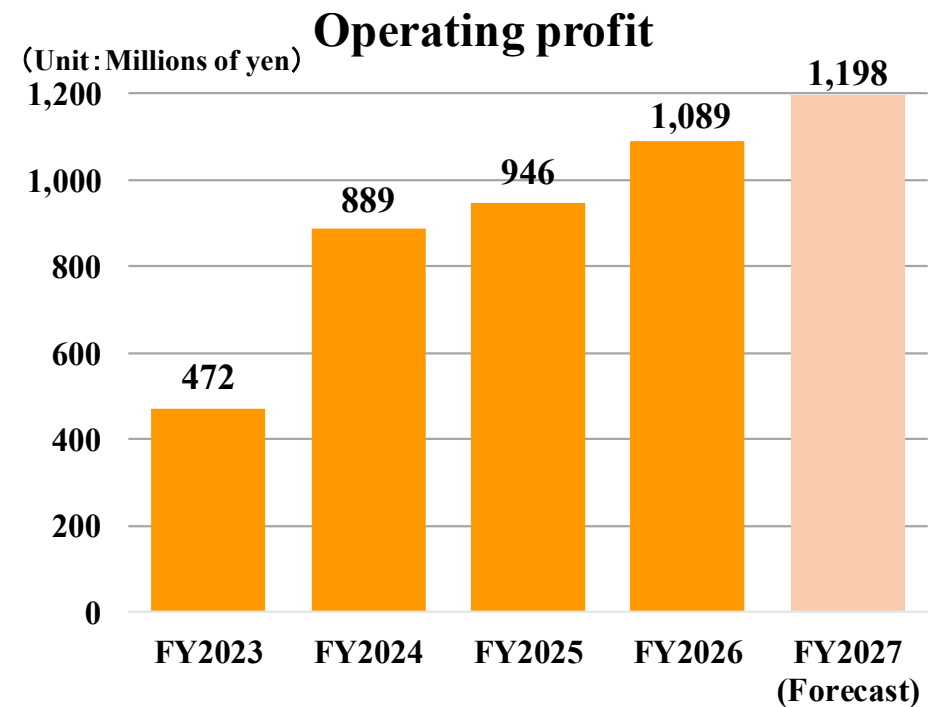
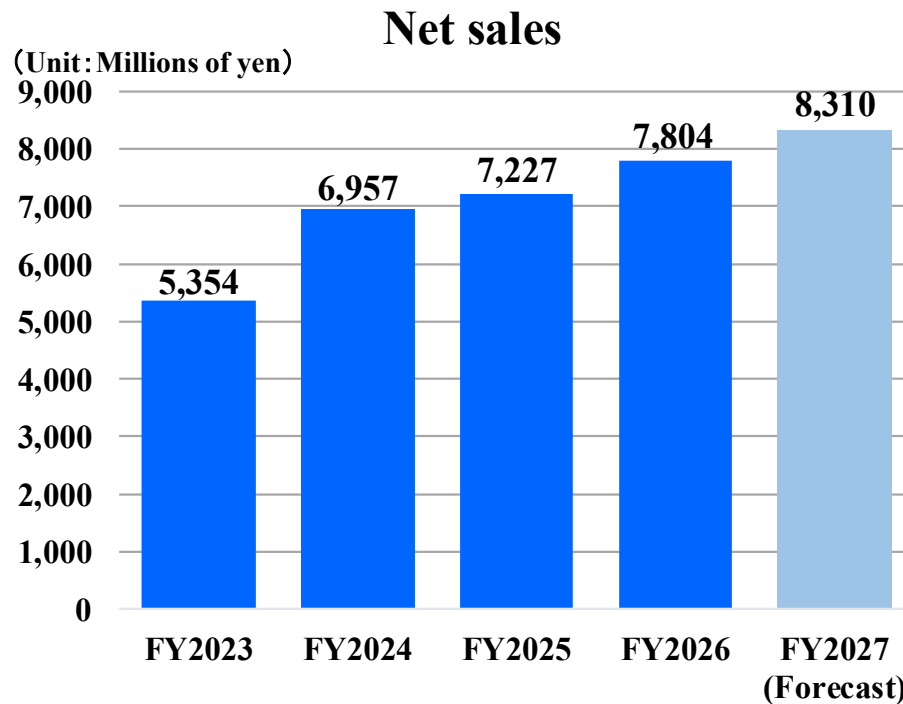


Inaba no Shirousagi

《Sales Subsidiaries》

FY2027 (Forecast)

FY2027: Net sales 8,310 million yen (+6.5%YoY) OP 1,198 million yen (+9.9%YoY)



(Millions of yen, %)	FY2023	FY2024	FY2025	FY2026	YoY		FY2027 (Forecast)	YoY	
					(Change)	(%)		(Change)	(%)
Net sales	5,354	6,957	7,227	7,804	576	8.0	8,310	505	6.5
Gross profit	2,012	2,637	2,796	3,042	246	8.8	3,290	247	8.1
Gross profit rate	37.6	37.9	38.7	39.0	0.3	-	39.6	0.6	-
SG&A expenses	1,540	1,747	1,850	1,953	102	5.6	2,092	138	7.1
Operating profit	472	889	946	1,089	143	15.1	1,198	108	9.9

《Sales Subsidiaries》

Acquisition of new sales floors with new products and focus on expanding sales floor space for main sweets for the revival of the souvenir market of major transportation channels



10th Anniversary Hakata Makkana Ichigo no Langue de Chat



Osaka Mitarashi Mizu Manjyu

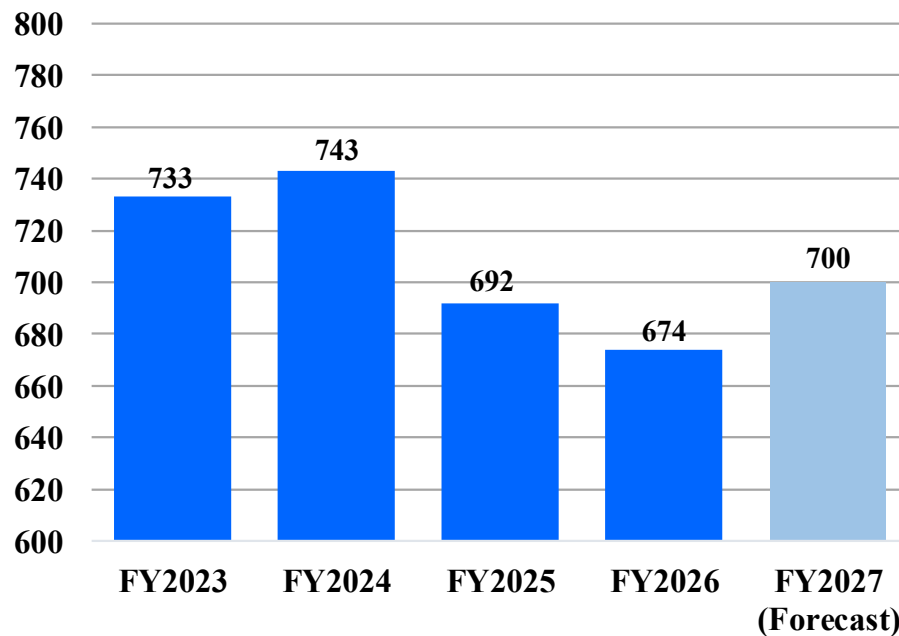
《Others》

< Health food business, Taiwan confectionary business,
Insurance agency >

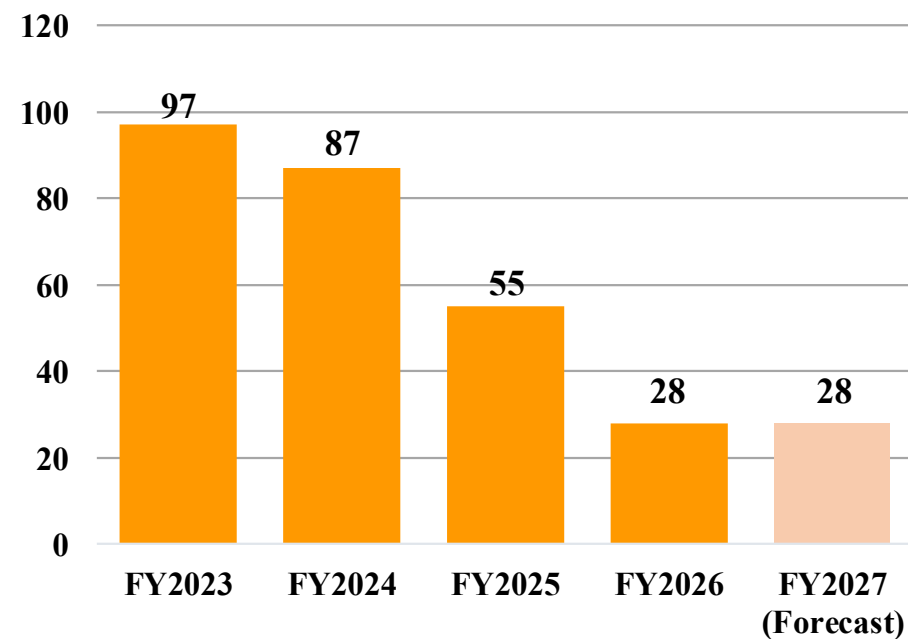
FY2027 (Forecast)

FY2027: Net sales 700 million yen (+3.8 %YoY) OP 28 million yen (△ 3.2 % YoY)

Net sales



Operating profit



(Millions of yen,%)	FY2023	FY2024	FY2025	FY2026	YoY		FY2027 (Forecast)	YoY	
					(Change)	(%)		(Change)	(%)
Net sales	733	743	692	674	△ 18	△ 2.6	700	25	3.8
Gross profit	534	537	494	479	△ 15	△ 3.1	497	17	3.7
Gross profit rate	72.8	72.2	71.4	71.1	△ 0.3	-	71.0	△ 0.1	-
SG&A expenses	437	449	438	450	11	2.6	469	18	4.2
Operating profit	97	87	55	28	△ 26	△ 47.9	28	0	△ 3.2

《Others》

< Health food business, Taiwan confectionery business,
Insurance agency >

純藍

Taiwan confectionery business



Chinese New Year Gift

health food business(Junai)



Junai tea



ESG-related Information

Integrated Report 2025

02

価値創造
ストーリー

青森県リンパップグループはお菓子の総合プロデューサーとして、多くの人気を集めるプレミアムギフトスイーツブランドを創出しています。

02 価値創造ストーリー

社長メッセージ



実際に経営スローガンが発表されているというポイントでも驚かすのが、彼らが中心となり、それらの組織でメーサ、経営者などのこと、経営スローガンを決定し、その達成に向けた対策を立案するものである。この取り組みこそが面白いという「全業界活動」の趣意は、「全業界活動による経営理念・経営グループでの取り組みに対して従業員の間では経営観念の構築することと似た経営理念手帳に似る」とを制作して、顧客へのサービス・提案を促している。

現場実践報告③

これは全業界活動による経営理念の普及員がプロフェッショナルな「ピンチ」を作り「チャンス」を捉え、一先ひとりで作り出さず、より多くの仲間や同僚と協力しながら目標を手にすることでできたのだ。

“ 中長期目標達成に向けて
足がかりとなった2024年

2024年3月期の前半は、新型コロナウイルス感染症の5類感染症移行に伴う人流回復やイベント消費によって、非常に活況を呈したと見られます。このことが年度後半になると、



2026年までの中期目標

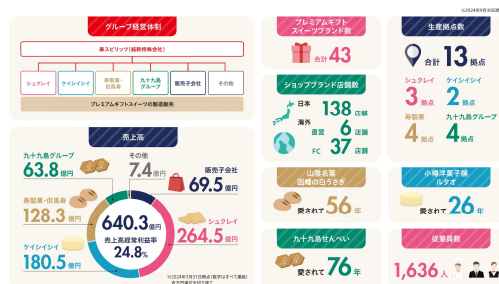
シュクレイ売上高350億円

年度	売上高(百万円)
2020年度	18,198
21年度	14,811
22年度	20,922
23年度	26,448
24年度	30,605
25年度	350



数字で見る寿スピリッツ

多くの人に愛されるプレミアムギフトスイーツブランドを生み出し、安定した経営基盤を築いています



シュクレイ座談会

シュクレイ社長／現場社員

激戦区の首都圏で勝ち抜くための
独自のブランド戦略と現場の躍動



- 47-



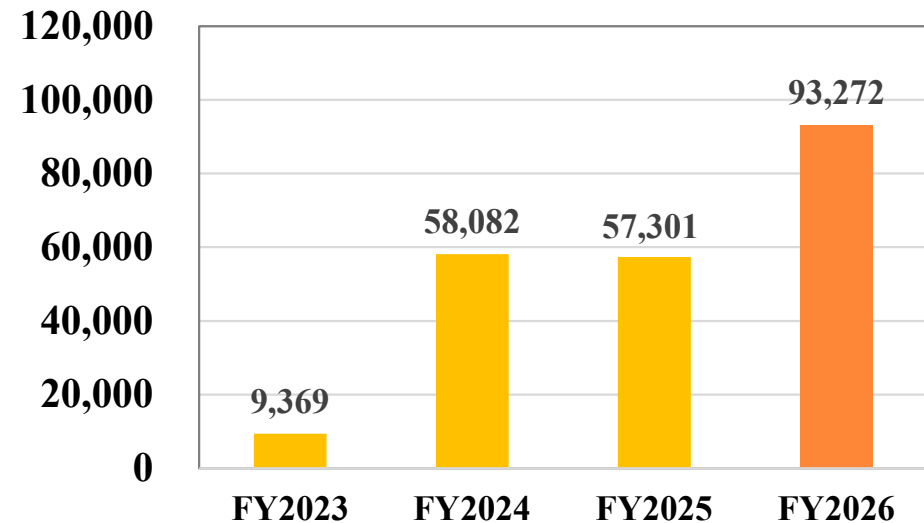
Stock States

Status of Shares

(March 31, 2026)

- Total number of authorized shares
456,000,000
- Total number of issued shares
155,658,402
- Number of shares per unit 100
- Number of shareholders 93,272
(up 35,971 from the previous year)

Number of shareholders



■ Major shareholders (top 5)

Shareholder name	Number of shares held	Ownership (%)
S Kawagoe Co., Ltd.	45,500,000	29.46
The Master Trust Bank of Japan, Ltd. (trust account)	10,623,000	6.88
STATE STREER BANK AND TRUST COMPANY 505001	5,688,007	3.68
INDUS SELECT MASTER FUND,LTD.	4,933,200	3.19
The San-in Godo Bank, Ltd.	3,657,300	2.37

Note 1:Ownership ratio excludes 1,225,366 shares of treasury stock

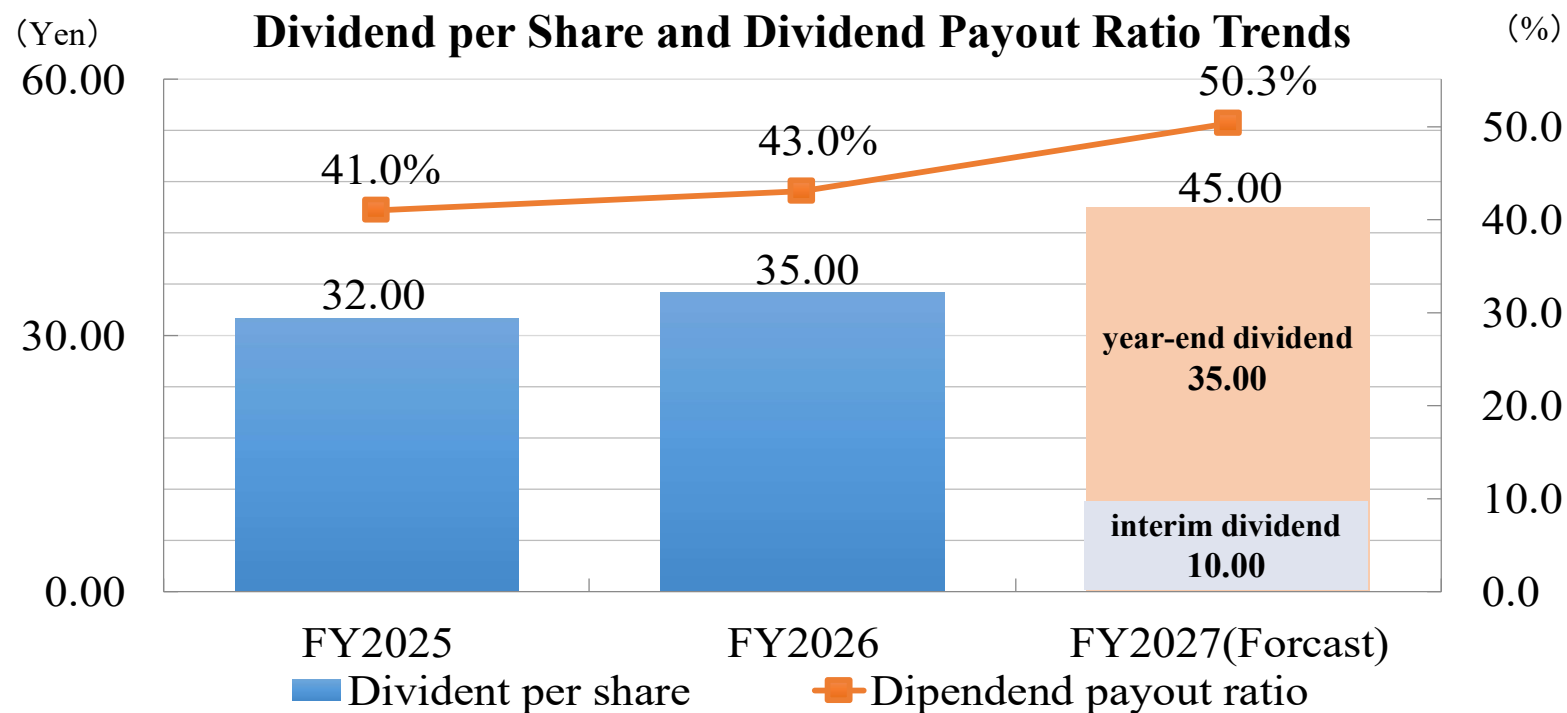
Shareholder Return

■ Dividend policy

Our basic policy is to strive for stable and sustainable shareholder returns over the long term, by comprehensively considering internal reserves, earnings performance, and dividend payout ratios. With regard to shareholder returns for the period from fiscal year ending March 2026 through fiscal year ending March 2030, our policy is to target a total return ratio of 50% or more, implementing dividend increases in line with earnings growth as well as flexible share buybacks.

In addition, we will introduce interim dividends from this fiscal year onward, with a view to enhancing returns to our shareholders.

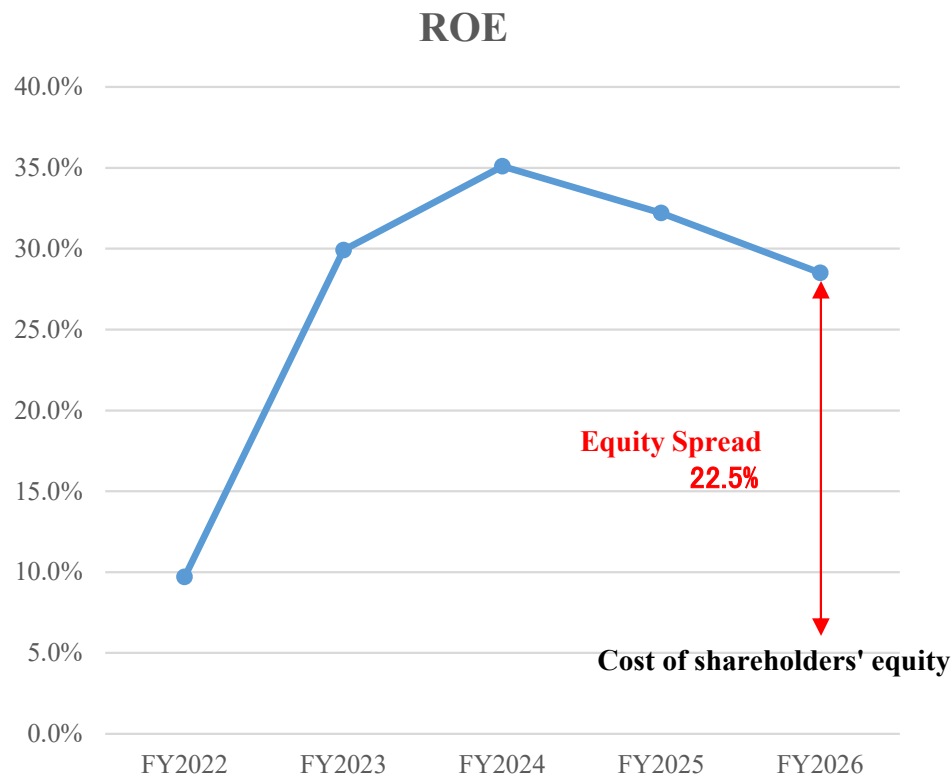
■ Dividend per share forecast for the fiscal year ending March 2027 **45.00** yen



Actions to engage in management that is conscious of cost of capital and stock price

■ Analysis of Capital Profitability

The cost of shareholders' equity is calculated using the capital asset pricing model (CAPM) and is generally recognized to be around 6%. ROE was 35.1% for the fiscal year ended March 31, 2024, 32.2% for the fiscal year ended March 31, 2025, and 28.5% for the fiscal year ended March 31, 2026, significantly exceeding the cost of shareholders' equity. We will continue striving to further improve our profitability, promote high ROE management, and increase our corporate value.



	FY2022	FY2023	FY2024	FY2025	FY2026
ROE	9.7%	29.9%	35.1%	32.2%	28.5%
ROE Analysis					
Net profit margin on sales	6.0%	14.0%	16.9%	16.8%	15.9%
Total asset turnover ratio (times)	1.23	1.56	1.53	1.47	1.41
Financial leverage (times)	1.32	1.37	1.35	1.31	1.27

	【Profitability】	【Asset efficiency】	【Financial leverage】
ROE	=	$\frac{\text{Net profit}}{\text{Net sales}}$	$\times \frac{\text{Net sales}}{\text{Total assets}} \times \frac{\text{Total assets}}{\text{Equity}}$

Cost of shareholders' equity (%) FY2026

Risk-free rate	Beta sensitivity	Risk premium	Cost of shareholders' equity
Safe assets, interest-free interest rates *Set based on 10-year government bond yield	$\times$ Risks Specific to the Company	$\times$ Excess return rate expected from equity investments *Set based on past stock market returns	= 5.99%
Calculated from CAPM			

Actions to engage in management that is conscious of cost of capital and stock price

■ PER / PBR

The PBR (Price Book-Value Ratio) at the end of the fiscal year ended March 31, 2026 was 5.90x, well above 1x.

	FY2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
PER	36.92	-	105.91	41.55	27.53	31.15	22.51
PBR	7.15	11.57	9.97	11.00	8.46	9.36	5.90

(Note) FY2021 PER is not shown due to net loss

■ Market capitalization



(Note) Market capitalization = share price at end of period x (number of shares issued - number of treasury shares) -52-



<<Reference Information>>



Company Overview

Firm name	Kotobuki Spirits Co.,Ltd.
Securities code	2222 (Tokyo Stock Exchange Prime Market)
Address	2028, Hatagasaki, Yonago-shi, Tottori, 683-0845, Japan
Establishment	April 25th,1952
Capital	1.26324 Billion yen
President	Seigo Kawagoe
Employees	Kotobuki Spirits 7 people/Group Total 1,801 people
Group companies	Consolidated subsidiary 19 companies (domestic 18・overseas 1)
Net sales	78.7 Billion Yen (FY2026 :Year ended March 31, 2026)

March 31th,2026

History (1)

- April 1952 **Kotobuki Seika Co., Ltd.** was established in Kakuban-cho in the city of Yonago in Tottori, and began manufacturing candy and other confectionery products.
- April 1959 Entered the tourism and souvenir confectionery business.
- November 1968 Introduced the famous confectionery “**Inaba no Shirousagi**” to work on upgrading tourist souvenir confectionery.
- April 1972 Established Kotobuki Co., Ltd. in the city of Kaga in Ishikawa. Later, established sales subsidiaries one by one, mainly in western Japan, to expand the sales network nationwide.
- May 1979 Moved to a newly constructed main plant in its current location (city of Yonago in Tottori).
- March 1987 Established **Tajima Kotobuki Co., Ltd.** in Shinonsen-cho, Mikata-gun, Hyogo.
- 1988 Aimed to differentiate from other companies based on the concept of “Kashi,” a type of confectionery that is written using a Chinese character without the grass radical (meaning a focus on fruits), which uses locally produced fruit and is sold only locally. [The director of the taste of travel]
- April 1993 In the city of Yonago in Tottori, established a large sales facility called “**Kotobuki Castle**,” where visitors can observe the manufacturing process. Started retail business in earnest.
- November 1994 Listed on JASDAQ.
- April 1996 In the city of Chitose in Hokkaido, established Kotobuki Chocolate Company Limited (**now KCC Co., Ltd.**) and entered into Hokkaido in earnest. Added chocolate and langue de chat items to serve as a manufacturing base.



“White Rabbit of Inaba”



Kotobuki Seika Co.,
Ltd., Main Plant



Kotobuki Castle

History (2)

June 1998	Acquired a 100-year-old long-established trademark and established Tsukiji Chitose Co., Ltd. in Chuo City, Tokyo. Began developing the Tokyo Japanese confectionery brand. In the city of Otaru in Hokkaido, KCC Co., Ltd. established “ Otaru Western Confectionery LeTAO. ” Launched a retail specialty store for Western confectionery.
February 2005	By taking over the business, the company inherited the confectionery manufacturing and sales business from Kujukushima SK Farm Co., Ltd. and three other companies, and started Kujukushima Group Co., Ltd.
October 2006	Changed the company name to Kotobuki Spirits Co., Ltd. and shifted to a pure holding company structure through a company split.
December 2011	Established Sucrey Co., Ltd. in Minato City, Tokyo.
January 2012	Tsukiji Chitose Co., Ltd. was dissolved after transferring part of its business to Sucrey Co., Ltd.
November 2012	Established KCC International Taiwan Co., Ltd. in Taipei, Taiwan.
April 2013	Listed on the Second Section of the Tokyo Stock Exchange.
April 2014	Listed on the First Section of the Tokyo Stock Exchange.
September 2014	Established JunAi Inc. in Minato City, Tokyo.
January 2016	Acquired all shares of FRANCAIS Co., Ltd. and made it a subsidiary.
April 2017	Sucrey Co., Ltd. absorbed FRANCAIS Co., Ltd.
April 2022	Moved to the Prime Market following the market segment review of the Tokyo Stock Exchange.
July 2024	Established KMF Co., Ltd. in Miyakojima City, Okinawa.
April 2026	Established Hakone tokinomi Co., Ltd.



Otaru Western
Confectionery LeTAO



“Kujukushima Senpei”



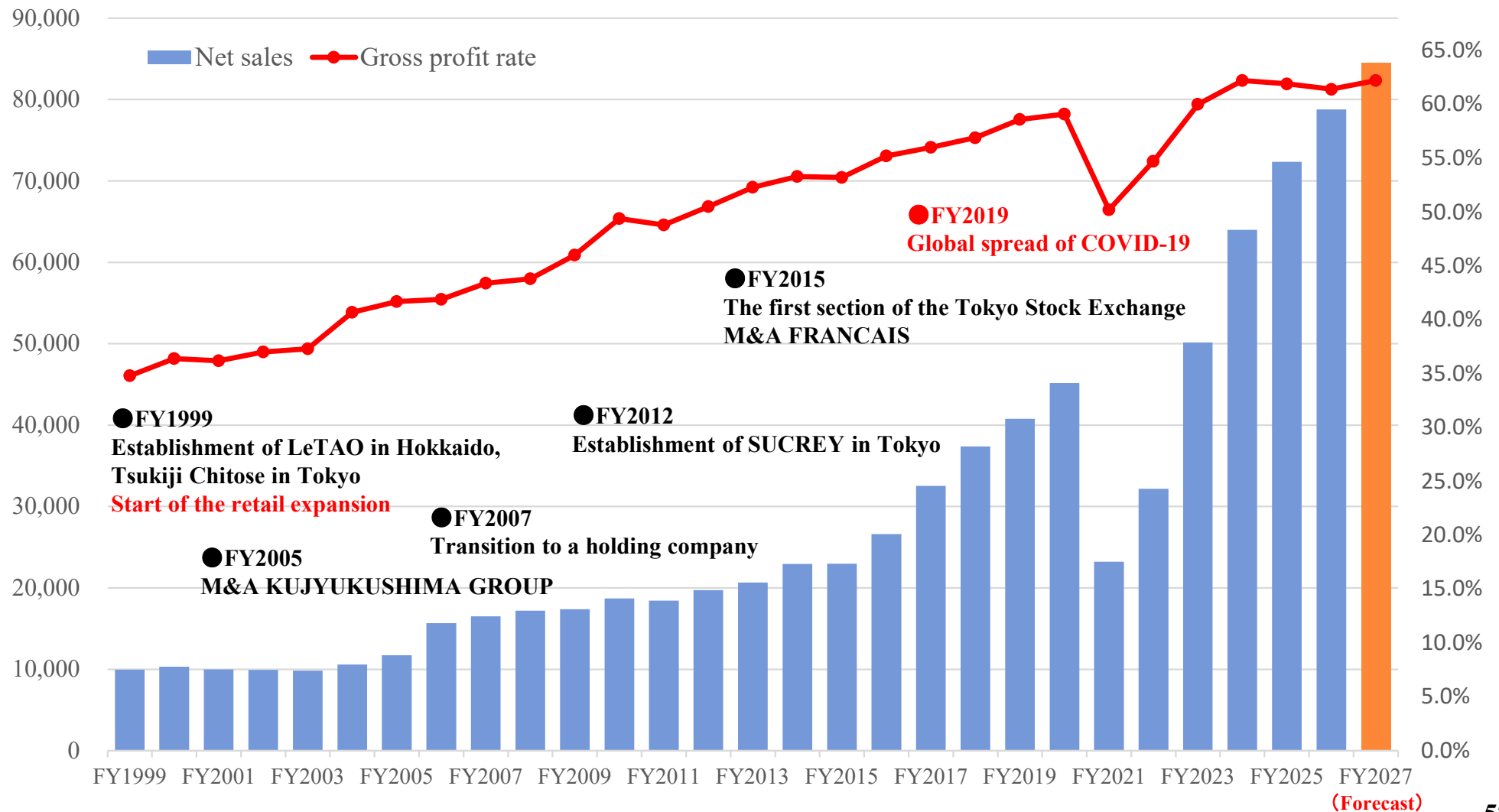
FRANCAIS confectionery

Transition of Kotobuki Spirits ①

High profit management

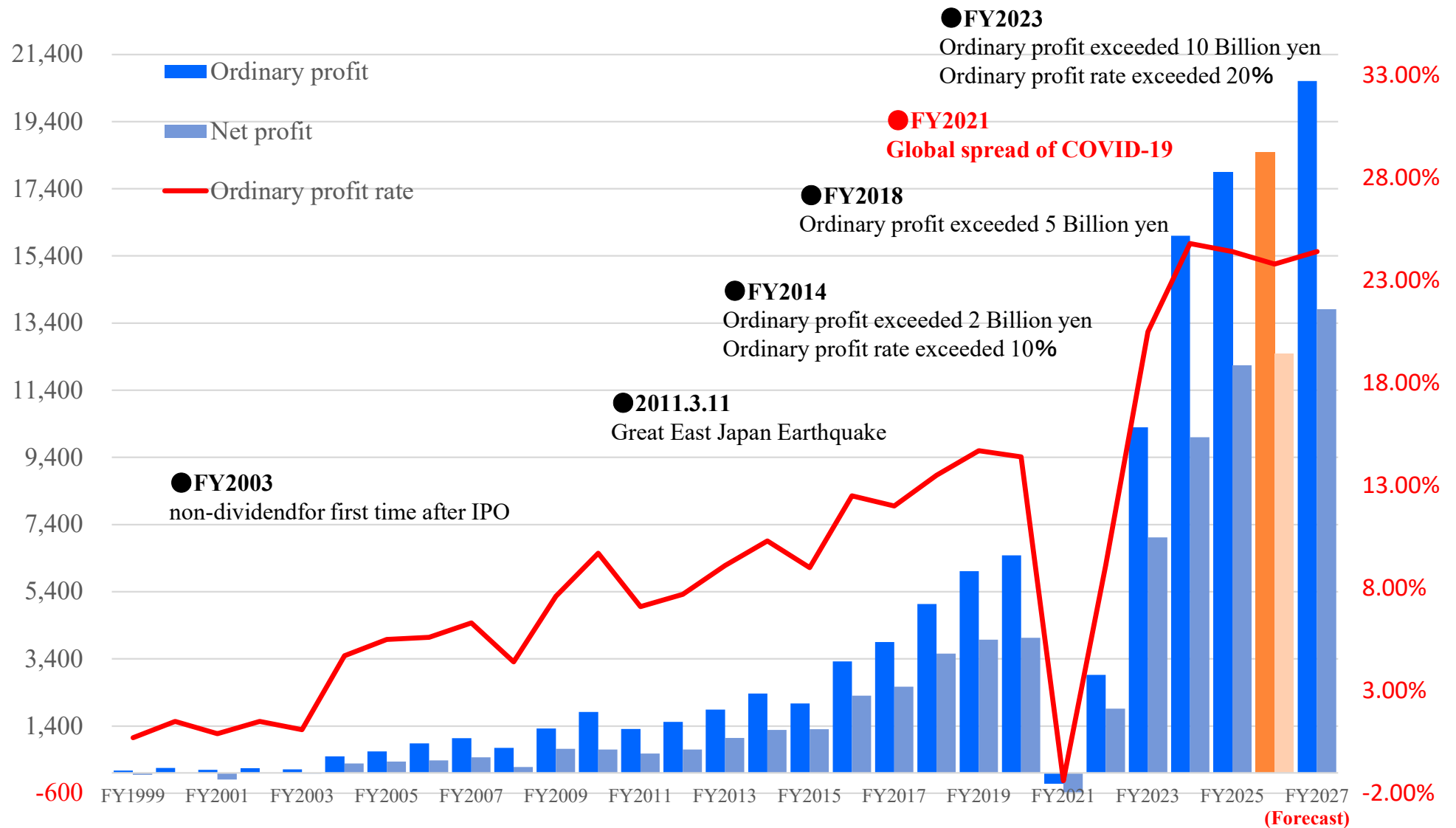
● Achieved high gross profit margin management through the transformation from a manufacturing and wholesale business to a manufacturing and retail-oriented management style.

Unit:Millions of yen



Transition of Kotobuki Spirits ②

● Achieved high profitability, with the ordinary profit rate reaching 23.8% in FY2026.



Shop Brands



Izumo

お菓子の 壽城



Yonago



Hokkaido



Sasebo・Fukuoka

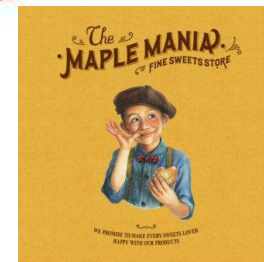


Kobe



KYOTO VENETO
MEETING FROM ITALY TO KYOTO

Kyoto



東京ミルクチーズ工場

Tokyo



FRANÇAIS



Main Sweets



Nostalgic Modern.
LeTAO
Northern Sweets Manner

Double Fromage

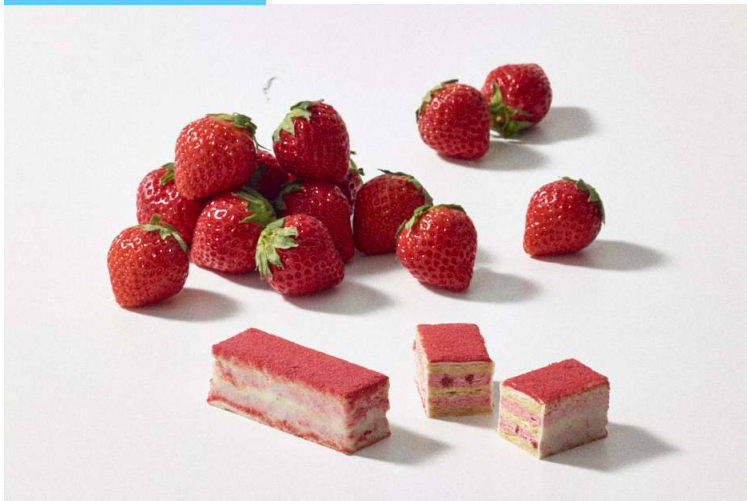


寿製菓株式会社

Inabano Shirousagi



Salt and Camembert Cookie



Mille Feuille



Butter Financier

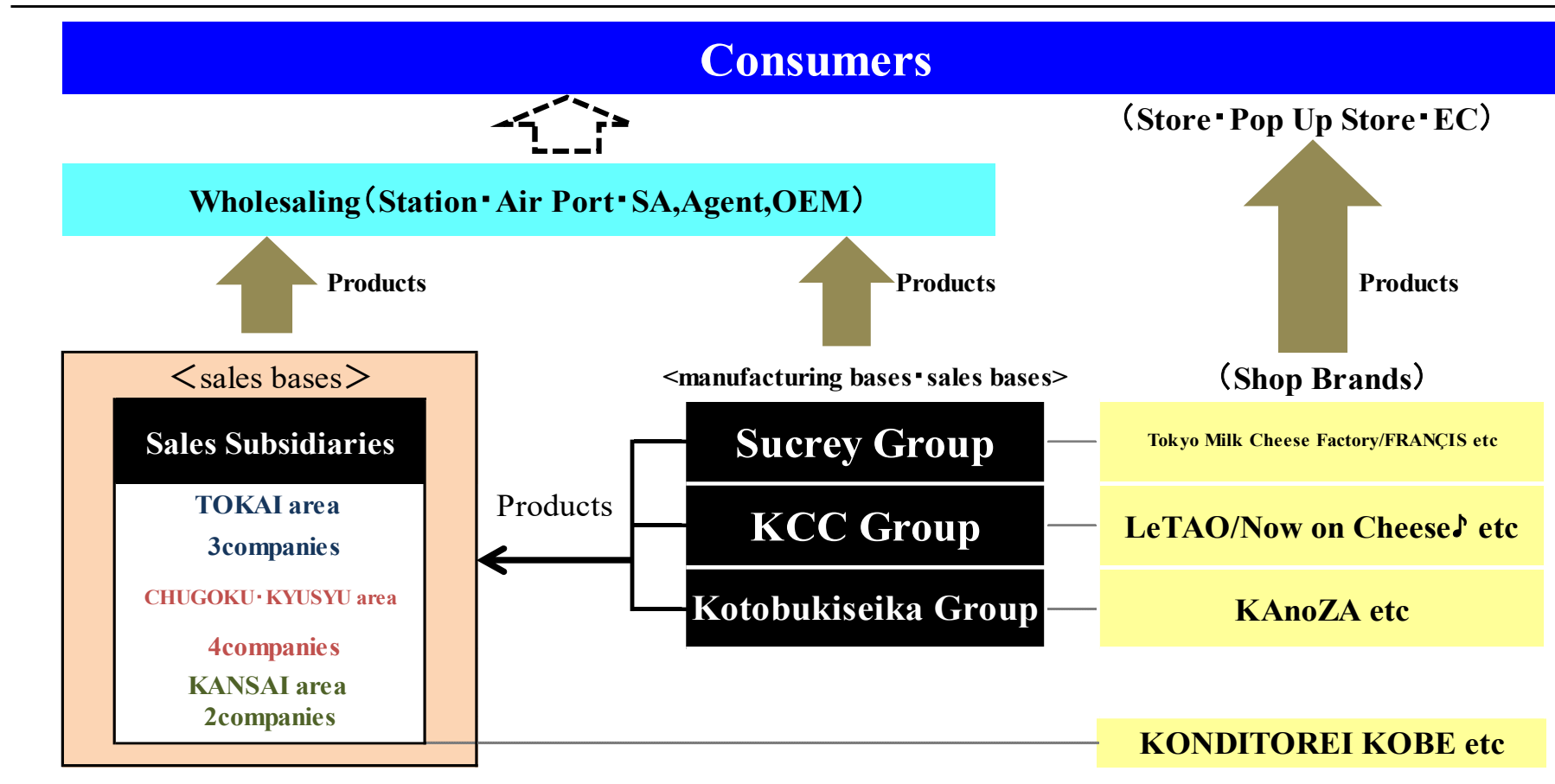


Kujoyukushima Senpei

Business Outline

Our Group consists of the Company (a pure holding company) and 18 subsidiaries. Business segments are classified based on regional operating companies (unions of regional operating companies). We provide integrated services from planning and manufacturing to sales by leveraging the strength of our sales platform and manufacturing bases that cover the entire country from Hokkaido to Okinawa.

Chart



Kotobuki Spirits Group Factory



Main Factory



Uratsu factory



Yodoe fuctory



The first factory



The second factory



Tajima fuctory



Kotobukiseika

Main factory (ISO22000 certified)
Uratsu fuctory (ISO22000 certified)
Yodoe fuctory (ISO22000 certified)
Tajima fuctory (ISO22000 certified)



Main factory



Kurokami factory



Oroshidanchi factory



KCC

The first factory(FSSC22000 certified)
The second factory(FSSC22000 certified /
(Implementation of AIB Food Safety Audit System)



Yokohama factory



Hamamatsu factory



Fujisan Shizuoka factory

Sucrey

Yokohama factory(FSSC22000 certified)
Hamamatsu factory(FSSC22000 certified)
Shizuoka factory (FSSC22000 certified)



Sucrey(*)

Kurokami factory(FSSC22000 certified)
Oroshidanchi factory(FSSC22000 certified)
(*) Former Kujukushima Group Factory



Examples of Making Enthusiastic Fans

“Making Enthusiastic Fans” is a motto that expresses the guiding principle of our corporate vision “Create happiness, Provide happiness.”

《Kotobuki Spirits》

● In December 2025, we sponsored the NHK Educational event "Young Women's Health Support Festa — Do You Know? Body Worries."



《Kotobuki Spirits》



●In April 2026, our group welcomed 124 new employees who were ready to contribute immediately.



《Kotobukiseika》

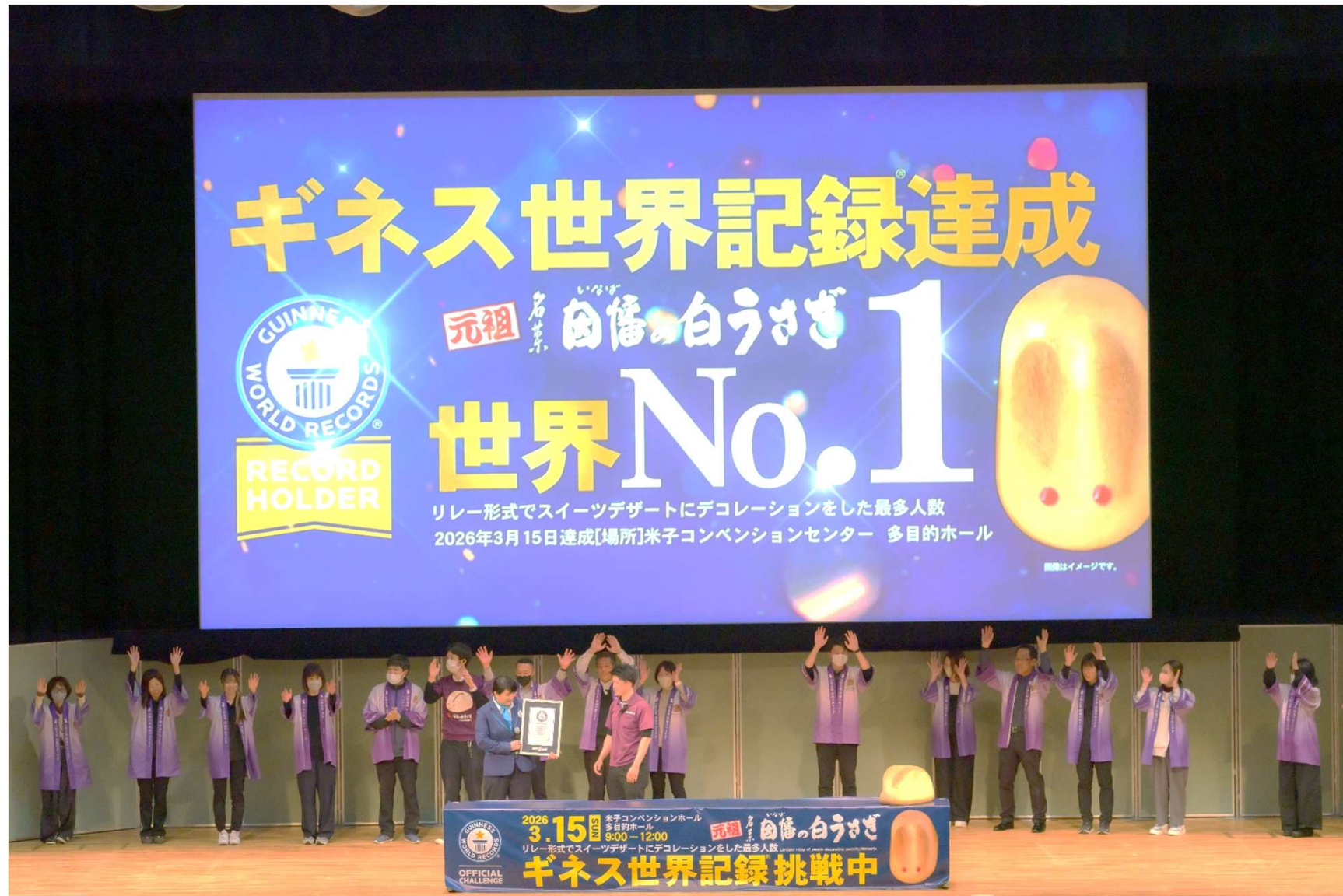
●February 8, 2026, Shimane Susano Magic of the B1 League will hold a game sponsored by Kotobukiseika.

Since 2016, Kotobukiseika has been supporting Shimane Susano Magic, a basketball team based in Matsue City, Shimane Prefecture, as a sponsor, in order to help revitalize the local Sanin region.



《Kotobukiseika》

●In March 2026, the “Inaba no shirousagi” challenged the Guinness World Record for the most people decorating sweets in a relay format, achieving a new world record with 349 participants.



《KCC》

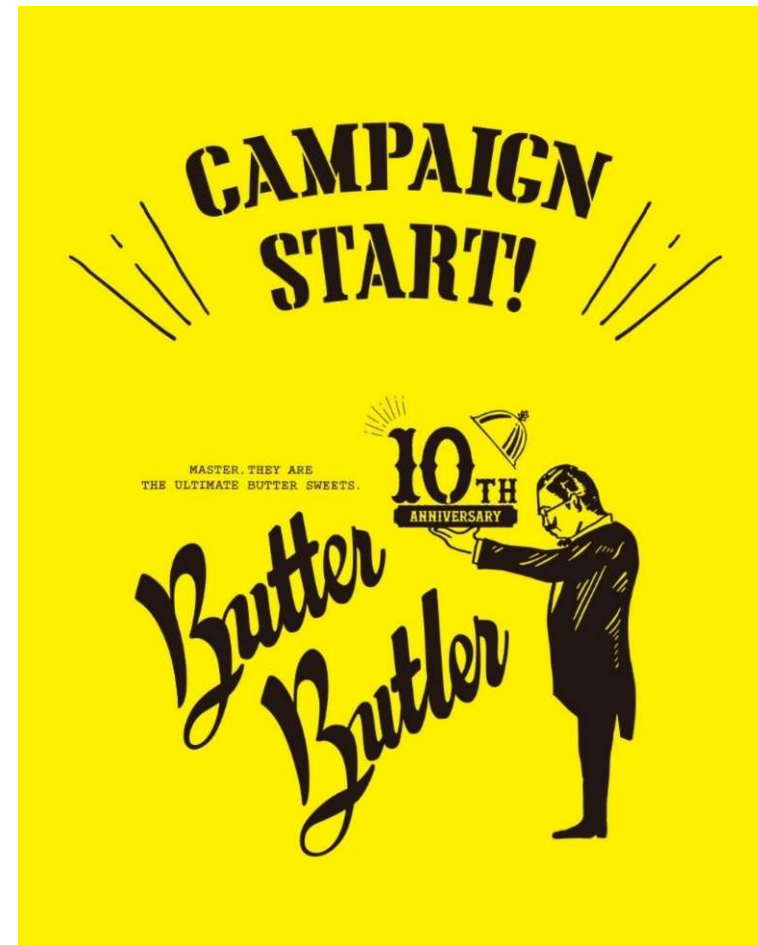
●In celebration of its 30th anniversary, and as a token of gratitude to the city of Chitose which has supported our growth, KCC held a joint press conference to announce the launch of the Chitose area limited-edition product "COOORN" to commemorate the 100th anniversary of New Chitose Airport, as well as a campaign to give away trial match tickets for Levanga Hokkaido.



《Sucrey》

SUCREY
AOYAMA

●Launched on April 15, 2016, alongside the opening of NEWoMan Shinjuku, "Butter Butler" has been supported by many customers and has now reached its 10th brand anniversary. In 2026 — our "Butter Butler Year" — we will roll out a series of campaigns to express our gratitude to customers, along with exciting new initiatives throughout the year.



《Sucrey》

SUCREY
AOYAMA

● On July 2, 2026, the "Gransta Tokyo" Top 10 Sales Ranking for Tokyo Station Limited Edition Staple Souvenir Sweets 2026 was announced, with our products claiming all three spots from 1st to 3rd place.



1st Place COCORIS



2nd place THE DROS



3rd place The Maple Mania

順位	商品名	税込価格	ショップ名	エリア名
1	サンドクッキー ヘーゼルナッツと木苺	1,620円	COCORIS	1F改札内 中央通路エリア
2	サンドクッキー [マスカルポーネ&ヘーゼルナッツ]	1,404円	THE DROS	B1改札内 銀の鈴エリア
3	メープルクッキー詰合わせ缶	2,500円	ザ・メープルマニア	1F改札内 吹き抜けエリア

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●In May 2026, one of our staff members received the Chairman's Award in the "Domestic Rice Flour Baked Goods" category at the "Reiwa 8 Fukuoka Prefecture Western Confectionery Skills Contest," held at Marine Messe Fukuoka.

