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Supplementary Materials

for Q2 FY03/27 Financial Results

October 30, 2026

A packaging specialist trading company



**KOHSOKU
CORPORATION**

Securities Code: 7504

TABLE OF CONTENTS



KOHSOKU
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01	Q2 FY03/27 Financial Results Overview	P. 3
02	Full-Year FY03/27 Consolidated Earnings Forecast	P. 10
03	Financial Performance Trends	P. 13
04	Reference: Company Profile	P. 19
05	Reference: Trajectory of Corporate Value Enhancement	P. 23



01 Q2 FY03/27 Financial Results Overview

Q2 FY03/27 Consolidated Earnings Summary



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Net sales and profit increased YoY, driven by higher sales volumes from expanded customer transactions, as well as higher selling prices resulting from price revisions implemented by manufacturers of trays, films, bags, and other products in response to developments in the Middle East. In addition, SG&A expenses were kept under control, supporting steady progress toward the earnings forecast. Profit attributable to owners of parent also included a contribution from a real estate sale already factored into our initial FY03/27 forecast.

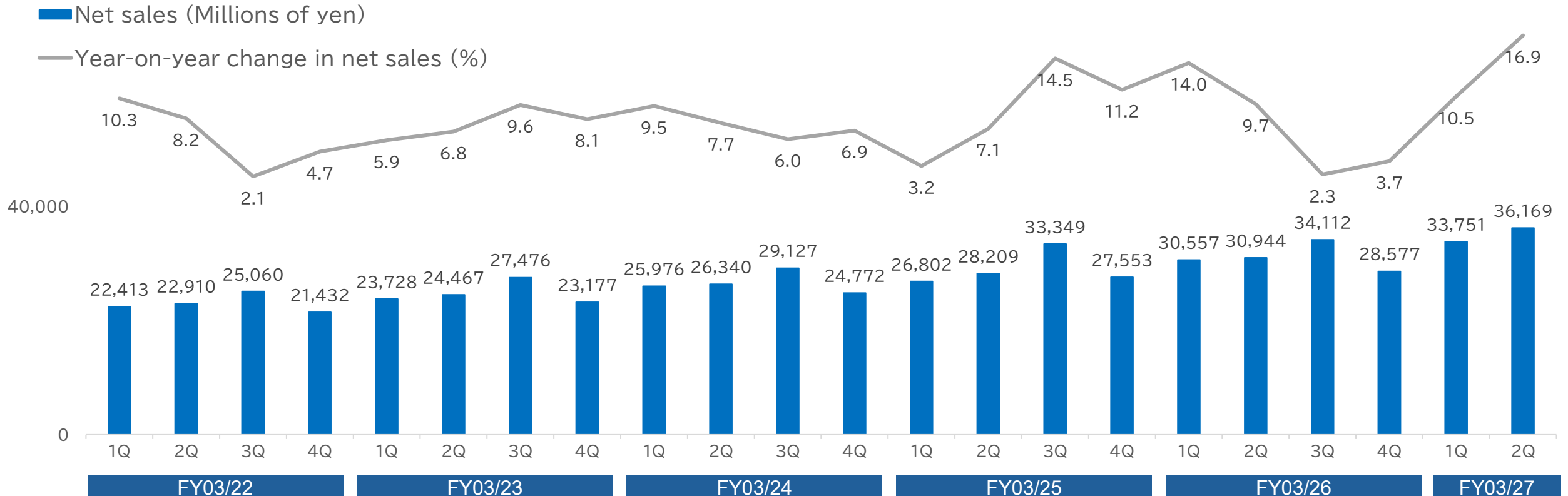
(Millions of Yen)	1H FY03/26		1H FY03/27				1H FY03/27 Earnings Forecast	
	Results	% of Net Sales	Results	% of Net Sales	YoY	Plan ratio	Amount	% of Net Sales
Net Sales	61,501	100.0%	69,920	100.0%	113.7%	104.4%	67,000	100.0%
Operating Profit	2,493	4.1%	3,255	4.7%	130.5%	125.2%	2,600	3.9%
Ordinary Profit	2,669	4.3%	3,441	4.9%	128.9%	122.9%	2,800	4.2%
Profit Attributable to Owners of Parent	1,812	2.9%	2,388	3.4%	131.8%	125.7%	1,900	2.8%
Earnings Per Share	¥92.93	—	¥122.52	—	131.8%	126.2%	¥97.08	—

Quarterly Net Sales



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Although transaction growth from initiatives such as new location openings since the summer of 2024 and price revisions had largely run their course by Q2 FY03/26, net sales continued to increase in Q3 and Q4 due to company-wide transaction growth. Net sales increased YoY in Q1 FY03/27, reflecting increases in customer transactions with whom the Company newly began doing business beginning in Q4 FY03/26 and Q1 FY03/27, emergence of customer demand earlier than anticipated—particularly through the Group’s e-commerce business, together with a significant contribution from price revisions implemented by manufacturers of film, bags, and related products during Q1 FY03/27. In Q2 FY03/27, net sales also increased, reflecting a significant contribution from price revisions implemented by manufacturers of trays and related products.



Q2 FY03/27 Breakdown of SG&A Expenses



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Personnel expenses continued rising along with sales growth, but the Company made efforts to curb the overall rise in personnel expenses by improving per-employee productivity, while promoting human capital investment, including wage increases. The Company also managed logistics costs to ensure they remained at reasonable levels.

(Millions of Yen)	1H FY03/25		1H FY03/26			1H FY03/27		
	Results	% of Net Sales	Results	% of Net Sales	YoY	Results	% of Net Sales	YoY
Net Sales	55,012	100.0%	61,501	100.0%	111.8%	69,920	100.0%	113.7%
SG&A Expenses	8,666	15.8%	9,726	15.8%	112.2%	11,408	16.3%	117.3%
Personnel Expenses	4,352	7.9%	4,931	8.0%	113.3%	5,539	7.9%	112.3%
Freight and Packing Costs	1,441	2.6%	1,564	2.5%	108.5%	1,758	2.5%	112.4%
Rent expenses on real estate	340	0.6%	345	0.6%	101.5%	453	0.6%	131.2%
Depreciation	331	0.6%	347	0.6%	104.7%	376	0.5%	108.6%
Other	2,200	4.0%	2,537	4.1%	115.3%	3,280	4.7%	129.3%

*Personnel expenses = “Salaries and allowances” + “Provision for bonuses” + “Legal welfare expenses” + “Remuneration for directors (and other officers)”

*For details of SG&A expenses, please refer to Financial Results Summary for each fiscal year. The above table is a consolidated and organized version of figures from those reports, categorized accordingly.

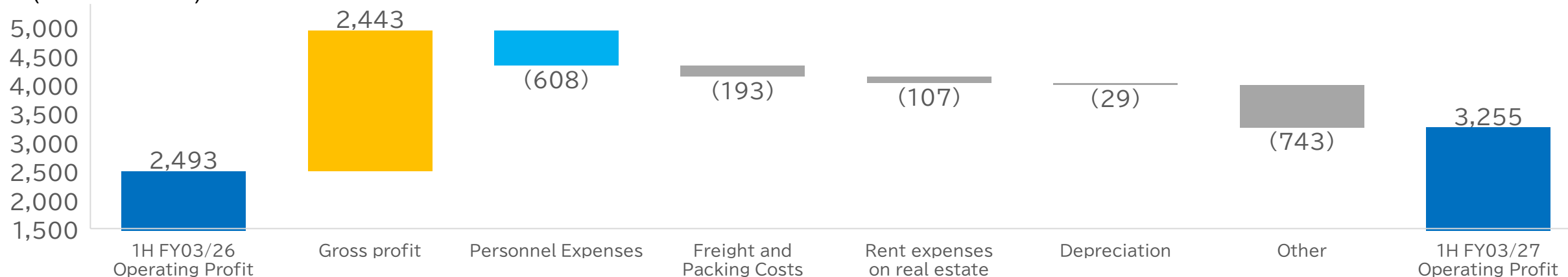
1H FY03/27 Factors Behind Changes in Operating Profit



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Net sales rose to 113.7% YoY, while gross profit increased to 120.0% YoY. Personnel expenses and other costs increased in line with higher net sales, with overall SG&A expenses rising to 117.3% YoY. Gross profit increased due to expansion in transactions with customers and sales volume growth, with additional contributions from the Group's e-commerce business and Group manufacturers.

(Millions of Yen)



	Main Factors
Gross profit	Gross profit rose—including at Group companies—thanks to expansion in transactions with customers, sales volume growth, and value-added proposals.
Personnel expenses	Base pay increases to maintain and enhance competitiveness
Freight and packing costs	Increase attributable to growth in net sales and shipment volumes
Rent expenses on real estate	Increase due to expansion of operational floor space executed to accommodate higher net sales and shipment volumes
Depreciation	Slight increase due to routine investments
Other	One-off expenses increased as a result of upfront investments to support business expansion, including investments in logistics facilities and advertising and promotional activities.

Consolidated Balance Sheet



**KOHSOKU
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The Group is stepping up capital investment while optimizing cash allocation among Group companies. We are also using debt funding when necessary while simultaneously managing borrowing costs.

To position itself for growth over the medium to long term, the Group will continue investing in logistics facilities and equipment and in digital technologies. It will support this investment program by continuing to monetize non-business assets and funding through debt when appropriate, while working to improve profit margins and enhance corporate value.

(Millions of Yen)	End-March 2026		End-September 2026		
	Results	Share	Results	Share	Change
Current Assets	30,726	48.6%	33,067	49.8%	2,341
Cash and Deposits	4,678	7.4%	3,272	4.9%	(1,406)
Accounts Receivable - Trade	18,020	28.5%	20,547	30.9%	2,526
Inventories	7,229	11.4%	8,616	13.0%	1,386
Non-Current Assets	32,452	51.4%	33,387	50.2%	934
Property, Plant and Equipment	24,340	38.5%	25,057	37.7%	717
Intangible Assets	470	0.7%	440	0.7%	(29)
Investments and Other Assets	7,642	12.1%	7,889	11.9%	246
Total Assets	63,178	100.0%	66,454	100.0%	3,275

	End-March 2026		End-September 2026		
	Results	Share	Results	Share	Change
Total Liabilities	20,662	32.7%	23,556	35.4%	2,893
Current Liabilities	18,762	29.7%	21,524	32.4%	2,762
Accounts Payable - Trade	13,287	21.0%	14,075	21.2%	788
Short-term borrowings	0	0.0%	1,500	2.3%	1,500
Non-Current Liabilities	1,900	3.0%	2,031	3.1%	131
Net Assets	42,516	67.3%	42,898	64.6%	381
Share Capital	1,724	2.7%	1,724	2.6%	0
Capital Surplus	2,193	3.5%	2,372	3.6%	178
Retained Earnings	38,571	61.1%	39,825	59.9%	1,254
Total Liabilities and Net Assets	63,178	100.0%	66,454	100.0%	3,275

* Numerical figures in this document are rounded down to the nearest display unit, and percentages are rounded to the nearest unit.

1H FY03/27 Product Category Breakdown



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Effective from FY03/27, we have changed our internal product classifications and have begun reporting under new product categories to improve the clarity of information we provide to investors.

Price revisions by film manufacturers in response to developments in the Middle East have contributed to net sales since Q1 FY03/27. The impact of selling price revisions for food containers, mainly food trays, has contributed significantly to net sales since Q2 FY03/27.

(Millions of Yen)	1H FY03/26		1H FY03/27		
	Amount	% of Net Sales	Amount	% of Net Sales	YoY
Food product containers	25,706	41.8%	28,785	41.2%	112.0%
Films, Bags & laminates	12,745	20.7%	15,690	22.4%	123.1%
Paper Boxes, Paper Products, Labels & Corrugated Cardboard	9,451	15.4%	10,436	14.9%	110.4%
Consumables	9,461	15.4%	10,486	15.0%	110.8%
Fixtures, Equipment, Machinery & Others	4,137	6.7%	4,521	6.5%	109.3%
Total	61,501	100.0%	69,920	100.0%	113.7%



02 Full-Year FY03/27 Consolidated Earnings Forecast

Full-Year FY03/27 Consolidated Earnings Forecast



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(Unchanged from May 8, 2026 disclosure) The Company aims to achieve record-high net sales for the 12th consecutive term. While managing increased logistics costs and other expenses resulting from increased sales, and continuing to invest in human resources, Operating profit and ordinary profit are expected to reach record highs for the 9th consecutive year, and profits attributable to parent company shareholders are expected to reach record highs for the 6th consecutive year. The Company continues to monetize non-business assets (through the sale of real estate remaining after the relocation of business locations, etc.) while allocating the proceeds toward growth investment. These initiatives are contributing to profit attributable to owners of parent expansion in FY03/27. For FY03/27, the Company plan to pay an annual dividend of ¥120. Considering uncertainty in raw material prices and fuel costs related to the Middle East situation, it remains difficult to reasonably revise our earnings forecast. Accordingly, we have decided not to revise our earnings forecast. Please refer to the next page for details.

(Millions of Yen)	FY03/26 Results		Full-Year FY03/27 Earnings Forecast		
	Amount	% of Net Sales	Amount	% of Net Sales	YoY
Net Sales	124,191	100.0%	135,000	100.0%	108.7%
Operating Profit	4,865	3.9%	5,100	3.8%	104.8%
Ordinary Profit	5,238	4.2%	5,450	4.0%	104.0%
Profit Attributable to Owners of Parent	3,764	3.0%	4,000	3.0%	106.3%
Earnings Per Share	¥192.76	—	¥204.18	—	105.9%

Upward revision of the full-year consolidated earnings forecast

< Approach to the Full-Year Consolidated Earnings Forecast >

< Update on progress >

Our performance for the first half of the fiscal year ending March 31, 2027, exceeded the same period of the previous fiscal year in both net sales and all profit indicators, and both operating profit and ordinary profit remained steady at approximately 130% year on year.

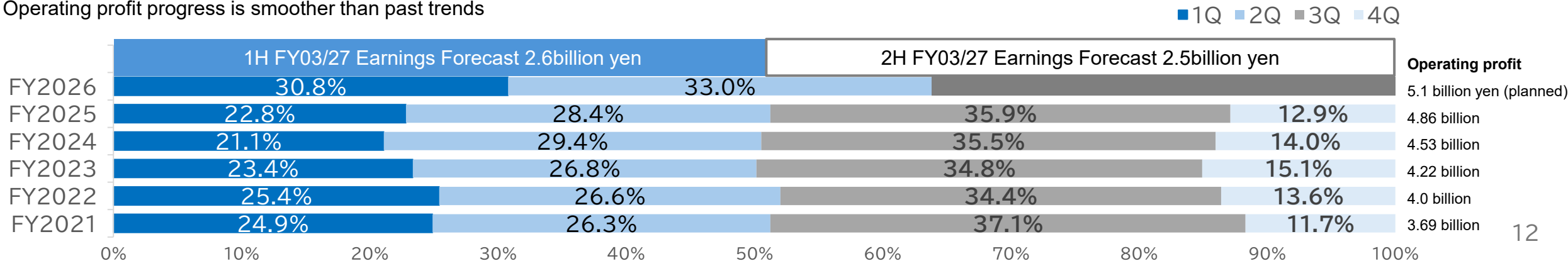
Regarding progress against the earnings forecast, the first half of the fiscal year ending March 31, 2027, showed 125.2% progress in operating profit compared to the first half (cumulative period for the second quarter), and 63.8% for the full-year forecast. Considering the high proportion of our quarterly sales in the third quarter, progress is steady.

< Reasons for Maintaining Our Earnings Forecasts >

As stated above, for the full-year earnings forecast for the fiscal year ending March 31, 2027, both net sales and profit indicators are expected to be positive. However, considering uncertainty in raw material prices and fuel costs related to the Middle East situation, it is currently impossible to say that a discrepancy will occur to levels where earnings forecast revision are required (sales at least 1.1 times forecast, consolidated operating profit at least 1.3 times, consolidated ordinary profit at least 1.3 times, and net profit attributable to parent shareholders at least 1.3 times). Since reasonable revision to earnings forecast is difficult, we have decided not to revise forecast at this time.

<Progress on full-year operating profit forecasts and actual results>

Operating profit progress is smoother than past trends





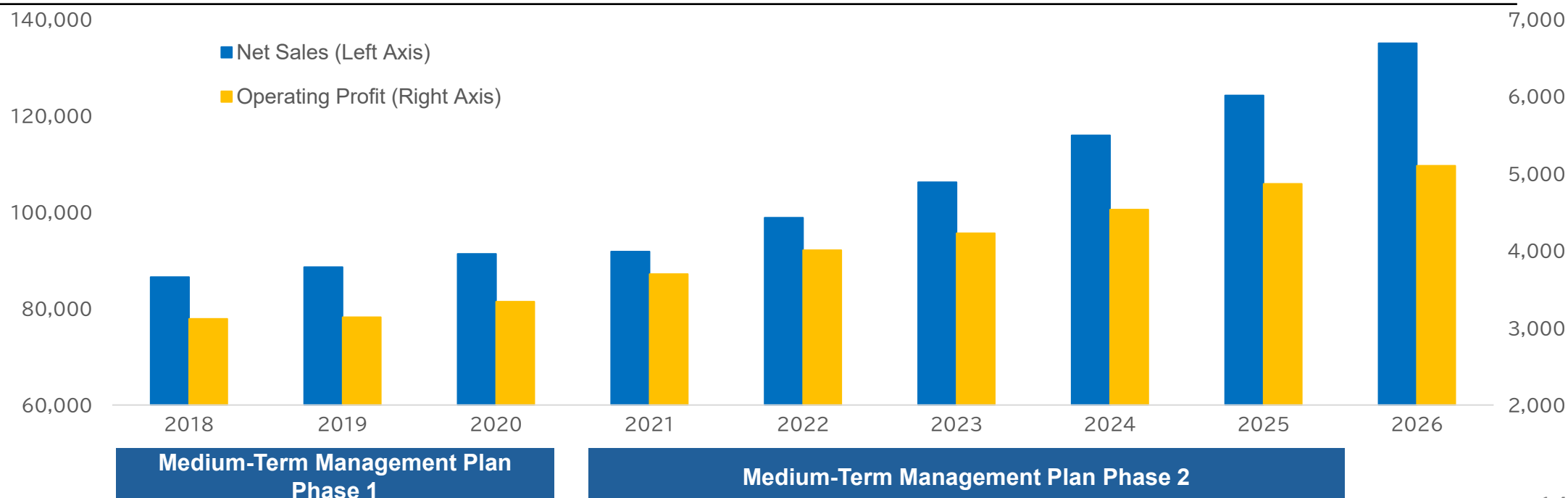
03 Financial Performance Trends

Performance trends



Since 2018, through strengthened human resources and productivity improvements, the Company has built a structure that consistently accumulates profits compared to the period through 2017, and profit has grown steadily in tandem with net sales. In FY03/27, we expect operating profit and ordinary profit to reach record highs for the 9th consecutive year. The impact of changes to accounting standards for net sales is described on the next page.

(Millions of Yen)	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26	FY03/27 Forecast
Net Sales	86,519	88,588	91,320	91,817	98,850	106,216	115,915	124,191	135,000
Operating Profit	3,116	3,137	3,340	3,696	4,008	4,227	4,532	4,865	5,100
YoY (Operating Profit)	106.7%	100.7%	106.5%	110.7%	108.4%	105.5%	107.2%	107.4%	104.8%



*Figures from FY03/22 onward reflect the application of the “Accounting Standard for Revenue Recognition” and related standards.

Reference: Trends in Transaction Value and Net Sales



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Since FY03/22, the Company has applied the “Accounting Standard for Revenue Recognition.” The figures for net sales under the previous accounting standard (hereinafter referred to as “transaction value”) are as follows.

(Millions of Yen)	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26	FY03/27 Forecast
Transaction Value (Net Sales Under Previous Accounting Standard)	86,519	88,588	91,320	97,024	105,681	114,131	124,086	132,069	143,000
YoY (Transaction Value)	105.1%	102.4%	103.1%	106.2%	108.9%	108.0%	108.7%	106.4%	108.3%
Net Sales (Current Accounting Standard)	—	—	—	91,817	98,850	106,216	115,915	124,191	135,000
YoY (Net Sales)	—	—	—	—	107.7%	107.5%	109.1%	107.1%	108.7%



*Figures from FY03/22 onward reflect the application of the “Accounting Standard for Revenue Recognition” and related standards.
 “Transaction value” includes the amount of impact calculated by the Company based on the revenue recognition standard and added to net sales.

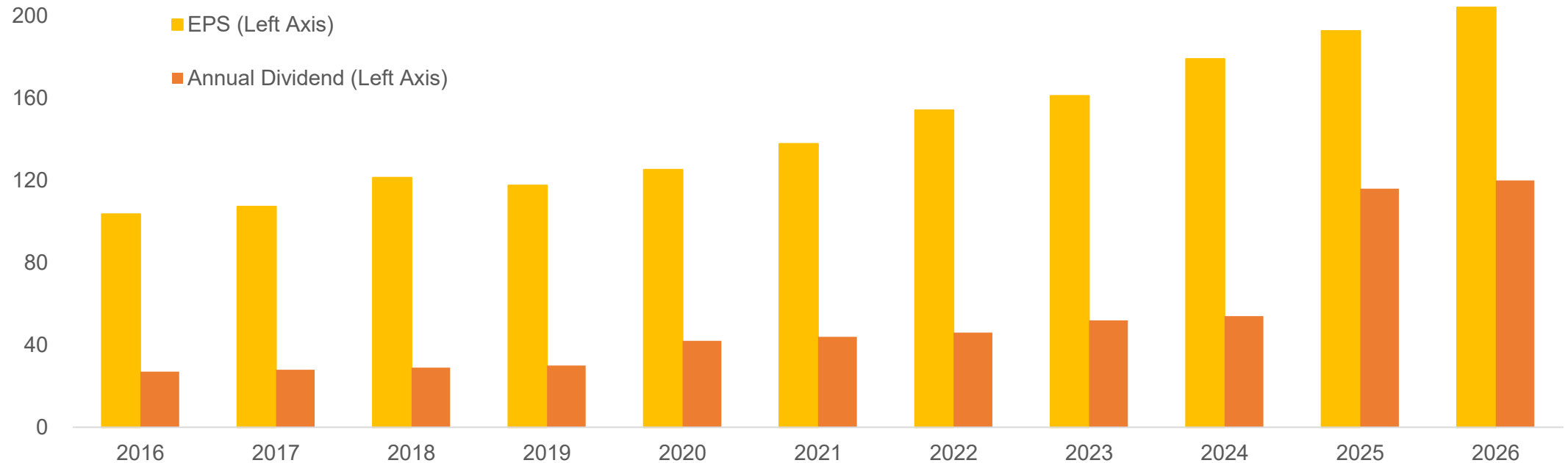
Shareholder Returns



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For FY03/26, we paid an annual dividend of ¥116, including 60th anniversary commemorative dividend of ¥60, achieving for the 22nd consecutive year of dividend increases. For FY03/27, the Company plan to pay an annual dividend of ¥120.
In FY03/27, the Company repurchased ¥1.34 billion of its own shares.

	FY03/17	FY03/18	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26	FY03/27 Forecast
Annual Dividend	¥27	¥28	¥29	¥30	¥42 Of which, commemorative: ¥11	¥44	¥46	¥52 Of which, commemorative: ¥4	¥54	¥116 Of which, commemorative: ¥60	¥120
[Reference] Earnings Per Share	¥103.72	¥107.30	¥121.40	¥117.58	¥125.28	¥137.84	¥154.24	¥161.19	¥179.11	¥192.76	¥204.18



*In fiscal years with commemorative dividends, the commemorative portion is listed as an internal figure under “of which, commemorative.”

**Medium-Term Management
Plan Phase 1**

Medium-Term Management Plan Phase 2

Trends in Cash Flows



Operating cash flow for FY03/26 temporarily decreased due to changes in accounts payable payment terms in response to legal revisions. While maintaining financial soundness, we will continue working to balance and strengthen both growth investments and shareholder returns. If the last day of the fiscal year falls on a bank holiday, there will be a discrepancy in the timing of deposits and payments, which will affect cash flow from operating activities.

	Medium-Term Management Plan Phase 1			Medium-Term Management Plan Phase 2				
(Millions of Yen)	FY03/19	FY03/20	FY03/21	FY03/22	FY03/23	FY03/24	FY03/25	FY03/26
Cash Flows from Operating Activities	2,941	1,123	3,175	3,248	2,559	4,584	970	2,534
Cash Flows from Investing Activities	(605)	(1,263)	(976)	(3,908)	(2,580)	(1,580)	(2,517)	(4,253)
Of Which, Acquisition/Sale of Property, Plant and Equipment	(636)	(1,177)	(354)	(2,228)	(725)	(1,432)	(2,172)	(4,324)
Of Which, Acquisition of Intangible Assets	(16)	(89)	(527)	(126)	(120)	(129)	(110)	(136)
Of Which, Acquisition/Sale/Redemption of Investment Securities	16	3	(94)	(1,398)	(1,717)	5	(234)	208
Cash Flows from Financing Activities	(707)	(740)	(879)	(1,004)	(1,032)	(1,062)	(947)	(1,780)
Of Which, Dividend Payments	(550)	(569)	(693)	(828)	(868)	(908)	(1,063)	(1,659)
Cash and Cash Equivalents at End of Period	10,926	10,046	11,365	9,700	8,646	10,588	8,116	4,616
Free Cash Flow*	2,336	(139)	2,199	(660)	(21)	3,004	(1,546)	(1,719)

*Free Cash Flow = Cash Flows from Operating Activities + Cash Flows from Investing Activities

*Figures for the acquisition/sale of property, plant and equipment and the acquisition/sale/redemption of investment securities represent the combined totals of each item.

Balance Sheet Trend



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The charts below show the changes in our balance sheet before and after the start of the Medium-Term Management Plan. While net assets have increased through the accumulation of profits, we have allocated the cash generated to growth investments, thereby achieving profit growth while maintaining and improving ROE. Recently, we have been making progress in utilizing cash and deposits for capital investments, etc., and cash and deposits are at a level of 0.3 months of monthly sales. *Monthly sales ratio is calculated based on average monthly sales based on actual sales

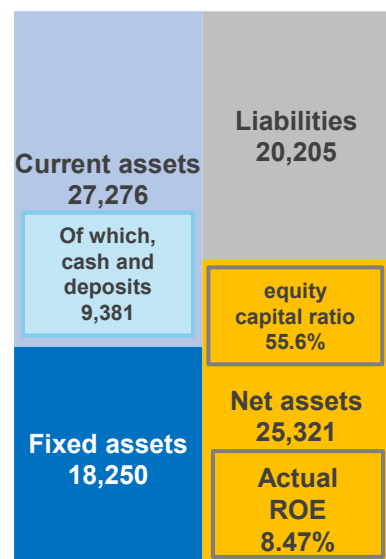
(Millions of Yen)

60,000

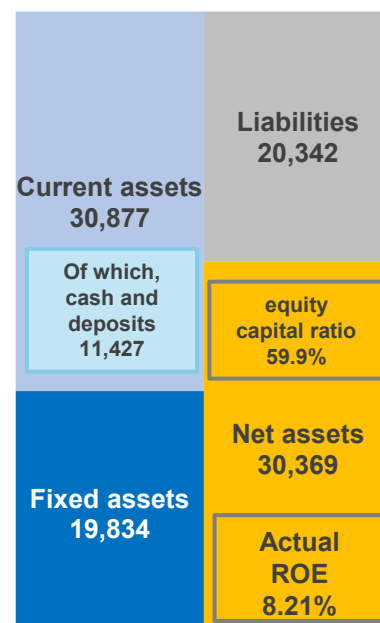
40,000

20,000

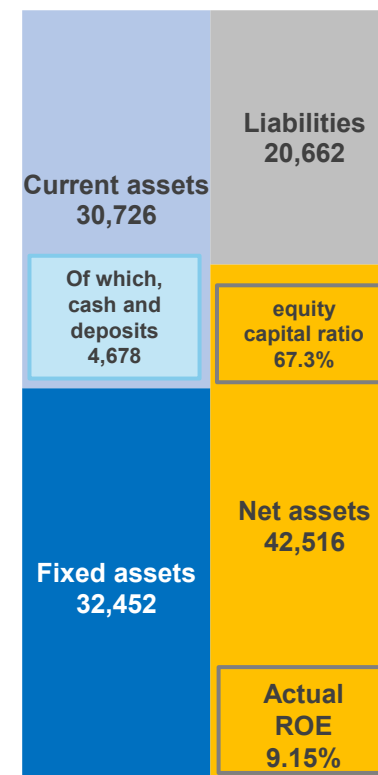
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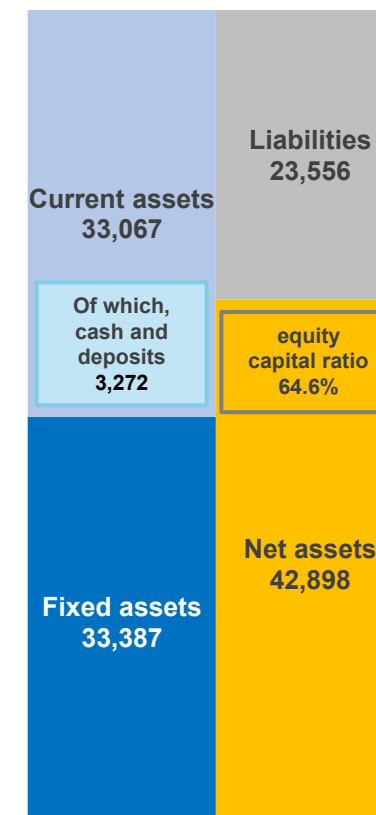
Before the start of Medium-Term Management Plan Phase 1 (FY03/19–)



Before the start of Medium-Term Management Plan Phase 2 (FY03/22–)



At the end of year 5 of Medium-Term Management Plan Phase 2



Medium- to Long-Term Management Plan : Year 1, Q2



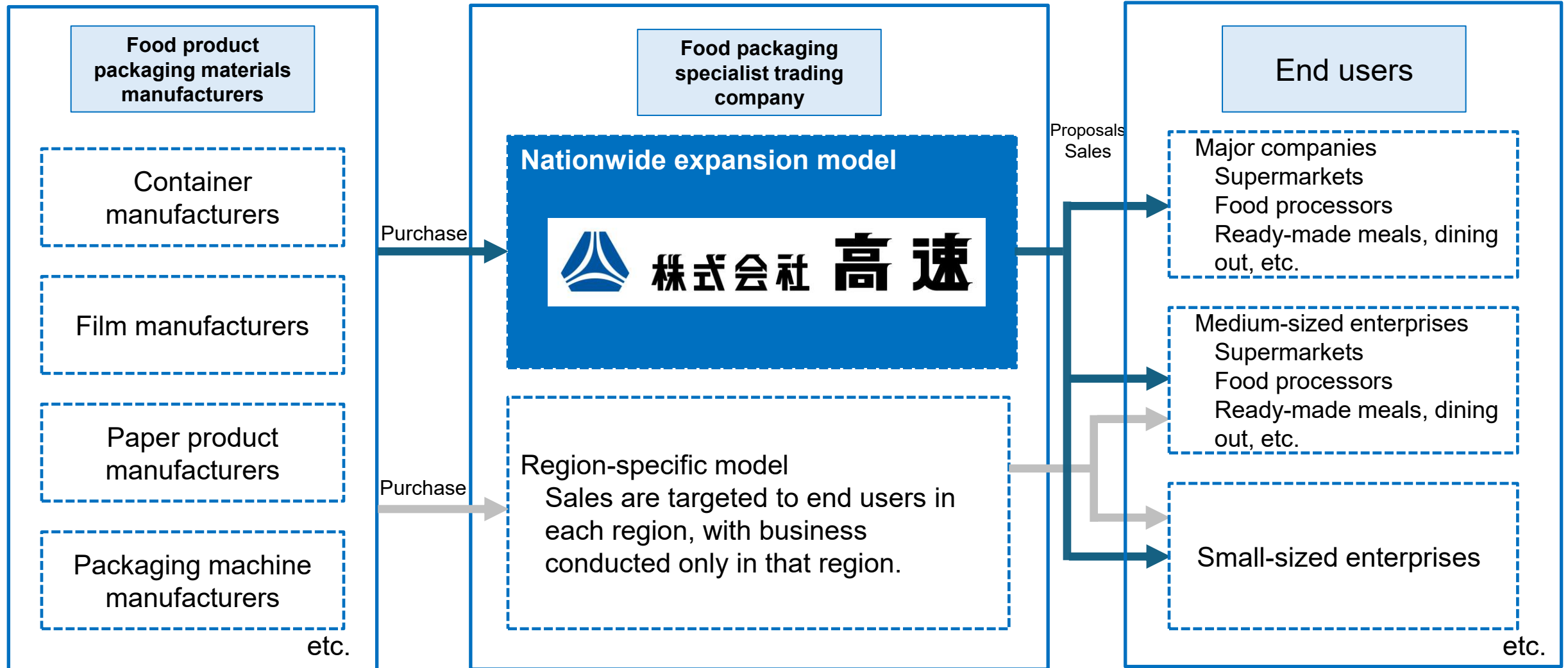
04 Reference: Company Profile

Business Model



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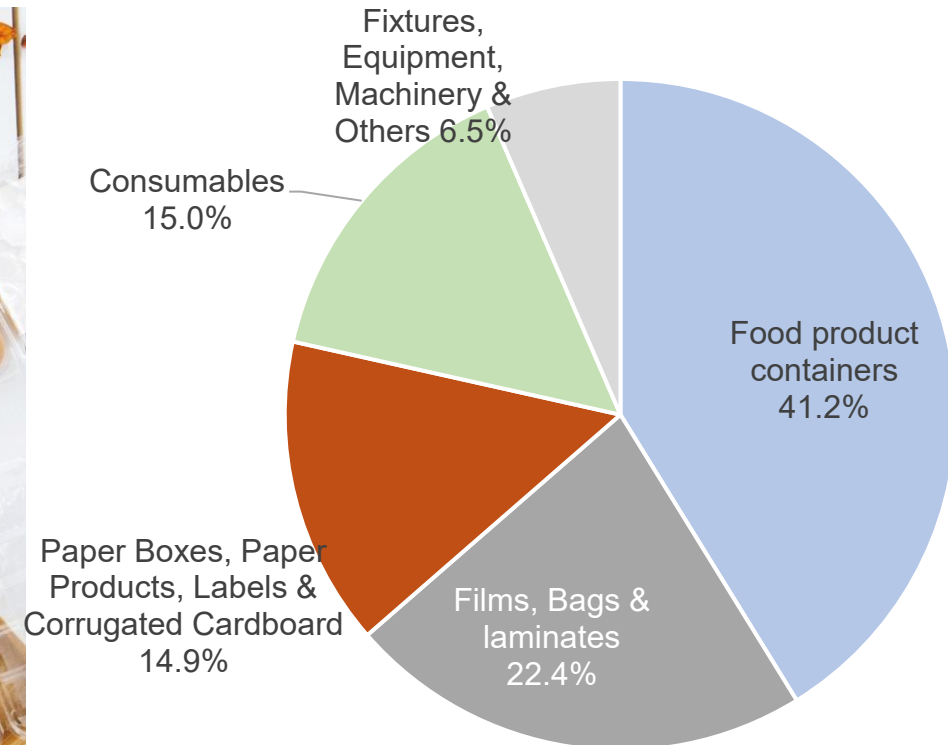
We are a trading company specializing in food packaging that connects supermarket and food factory customers with manufacturers and helps support food distribution.



Products handled



Sales performance by product group (1H FY03/27)



We offer a wide variety of food product packaging materials and consumables, including food trays. We specialize in providing comprehensive solutions centered on food containers, including various food product packaging materials and related machinery. Our diverse product lineup also contributes to reducing earnings volatility.

External Recognition, etc.



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The Company began calculating its Scope 1 and Scope 2 greenhouse gas emissions in 2025 and introduced disclosures aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in its Annual Securities Report in 2026. It will continue enhancing its disclosures, taking into account the information needs of investors prioritizing ESG.

Selection for Stock Index

Nikkei Consecutive Dividend Growth
Stock Index
Continued selection as a constituent
stock (fourth consecutive year)

Since the launch of the calculation and publication of the Nikkei Consecutive Dividend Growth Stock Index in 2023, the Company has been selected for inclusion for four consecutive years.

External Recognition



Climate Change
Water Security
C Score

The Company has responded to CDP since 2025 and has received a C score in both the Climate Change and Water Security categories.



05 Reference: Trajectory of Corporate Value Enhancement

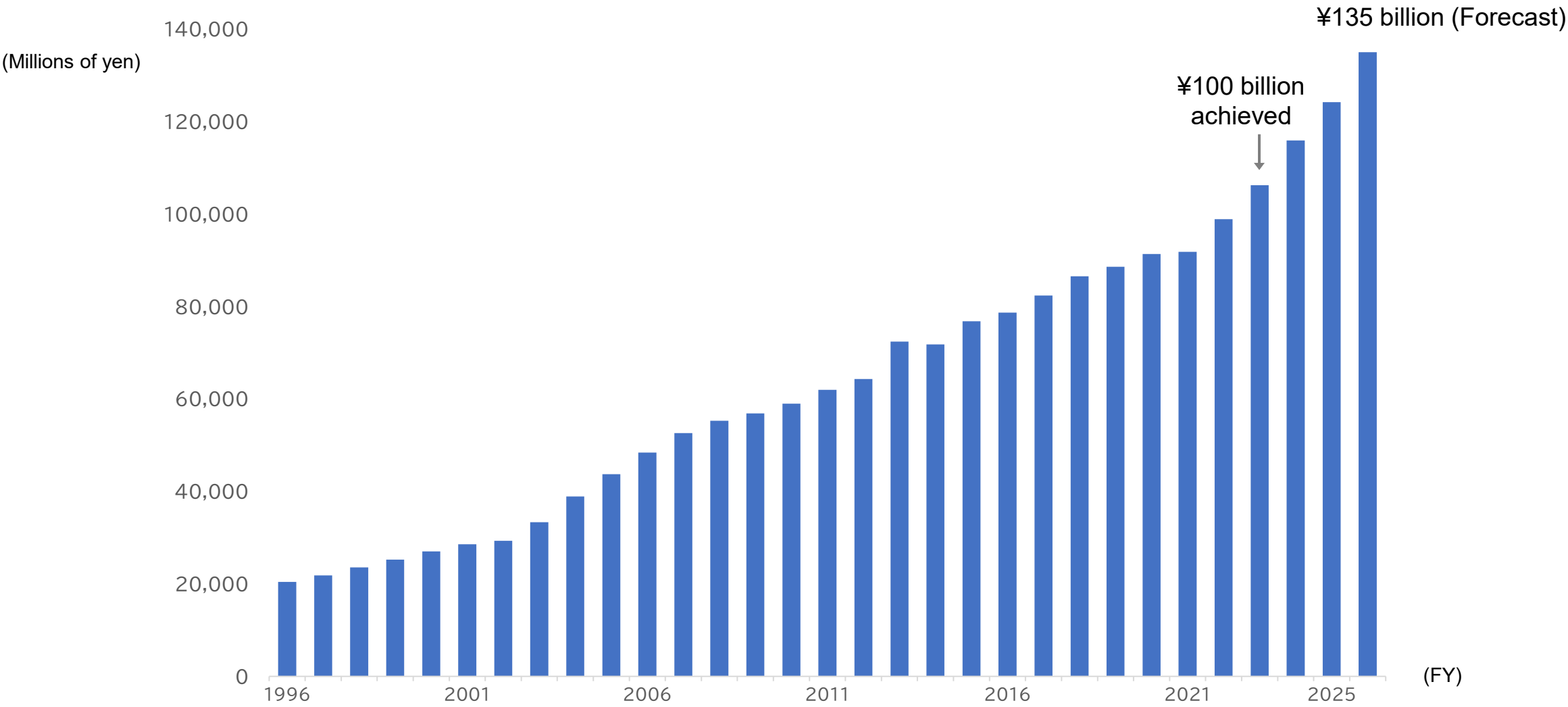
Performance Trends

11 consecutive fiscal years of record-high net sales



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In response to ongoing demand for food packaging, we have continued and expanded business with existing customers while steadily adding new ones. As a result, since our establishment we have achieved sales growth every year for over 50 years, with the exception of FY03/15(*).



Note: In fiscal year 1996, Designated as over-the-counter issue by Japan Securities Dealers Association

Note: In FY2014, net sales declined due to a FY2013 surge in demand caused by a then-upcoming April 2014 consumption tax hike—this year-on-year downturn was the only such decrease the Company has reported since its founding.

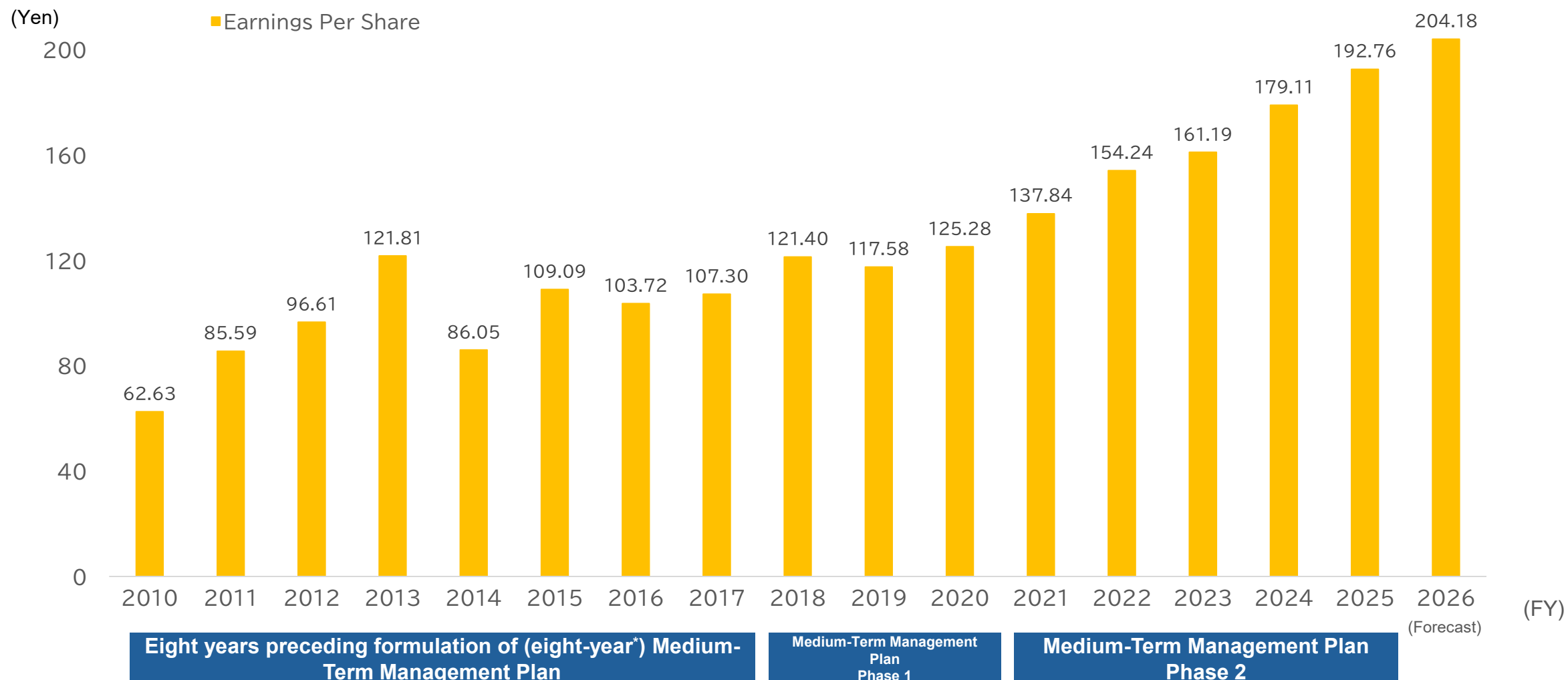
Earnings per Share



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As indicated by the table below, KOHSOKU has been generating growth in earnings per share.

EPS, which also serves as a source of shareholder returns, has risen as shown below, and we will continue working to increase it going forward while balancing growth investments and shareholder returns (marking the 22nd consecutive year of dividend increases in FY03/26).

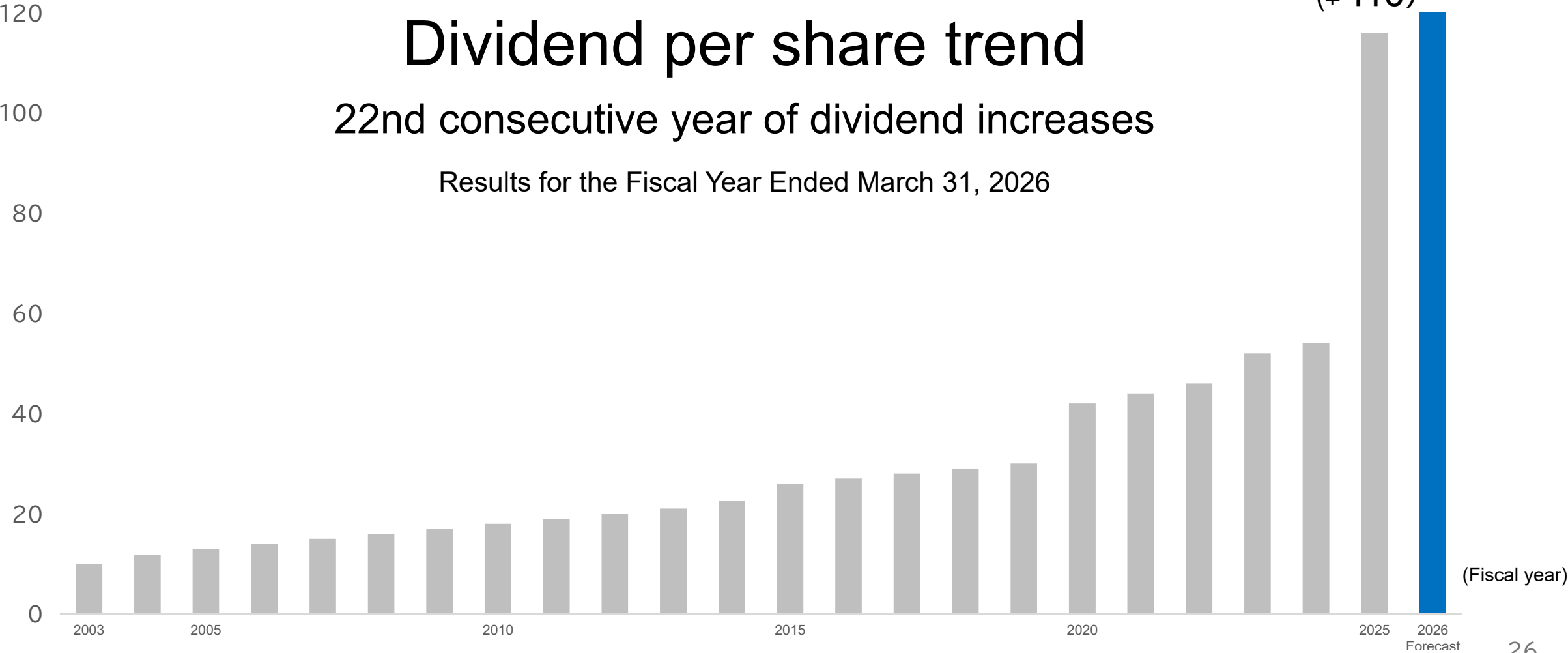


Note: The FY2026 earnings per share figure is a projection.



For FY03/26, we paid an annual dividend of ¥116, including 60th anniversary commemorative dividend of ¥60, achieving for the 22nd consecutive year of dividend increases. For FY03/27, the Company plan to pay an annual dividend of ¥120.
In FY03/27, the Company repurchased ¥1.34 billion of its own shares.

(Yen)



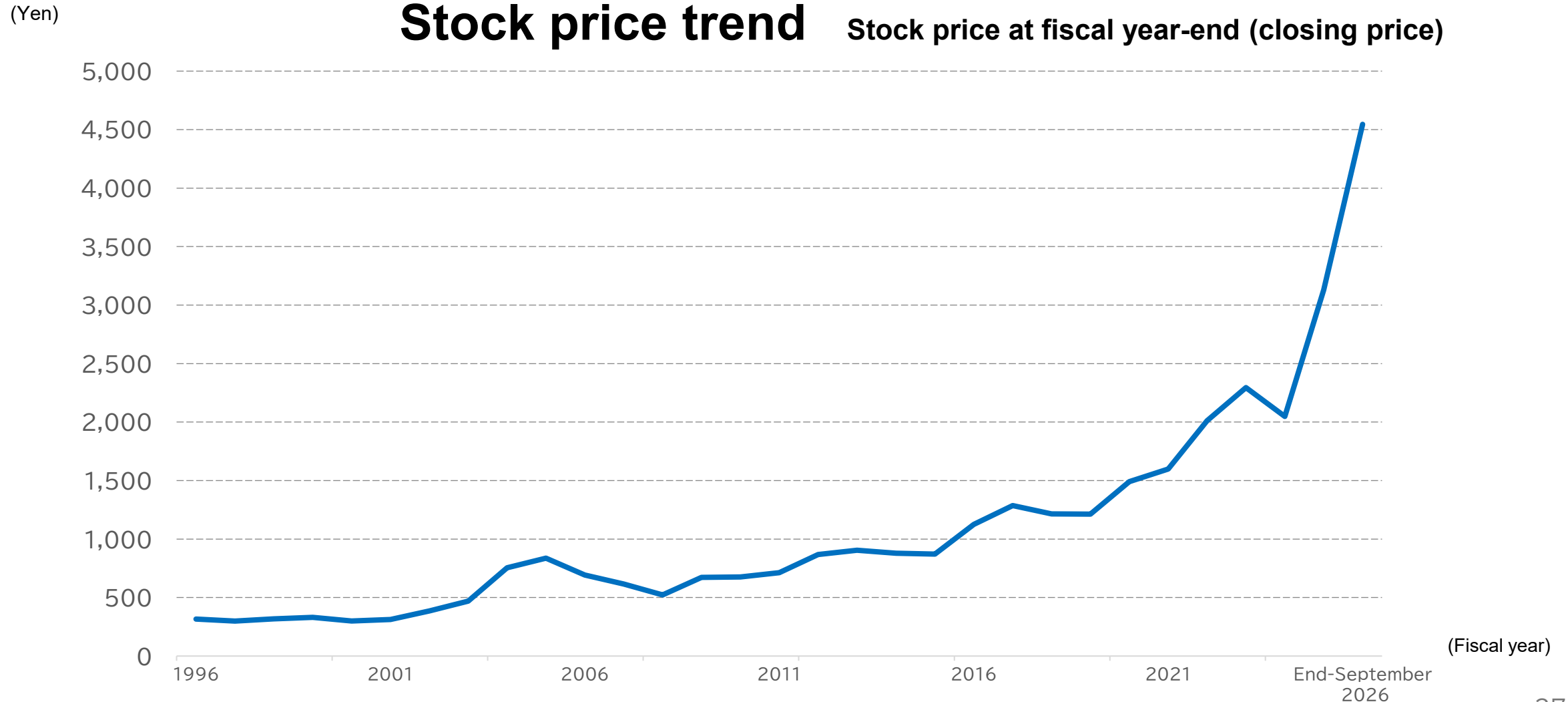
*Adjusted for the impact of the stock split.

Stock Price Trend (Stock price at fiscal year-end since OTC registration)



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The Company's steady business expansion and consistent shareholder returns, underpinned by consecutive dividend increases, have been well received, resulting in the following upward trend in its share price.

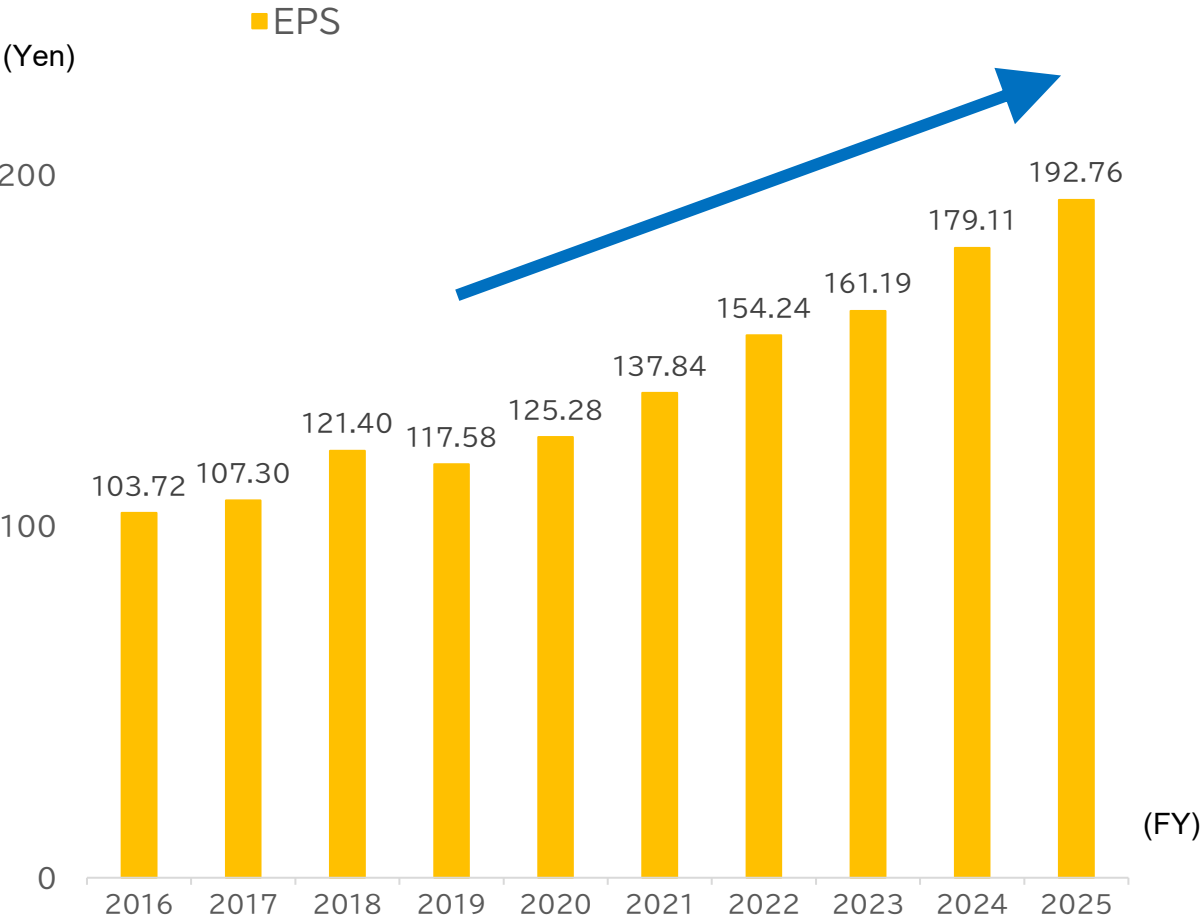
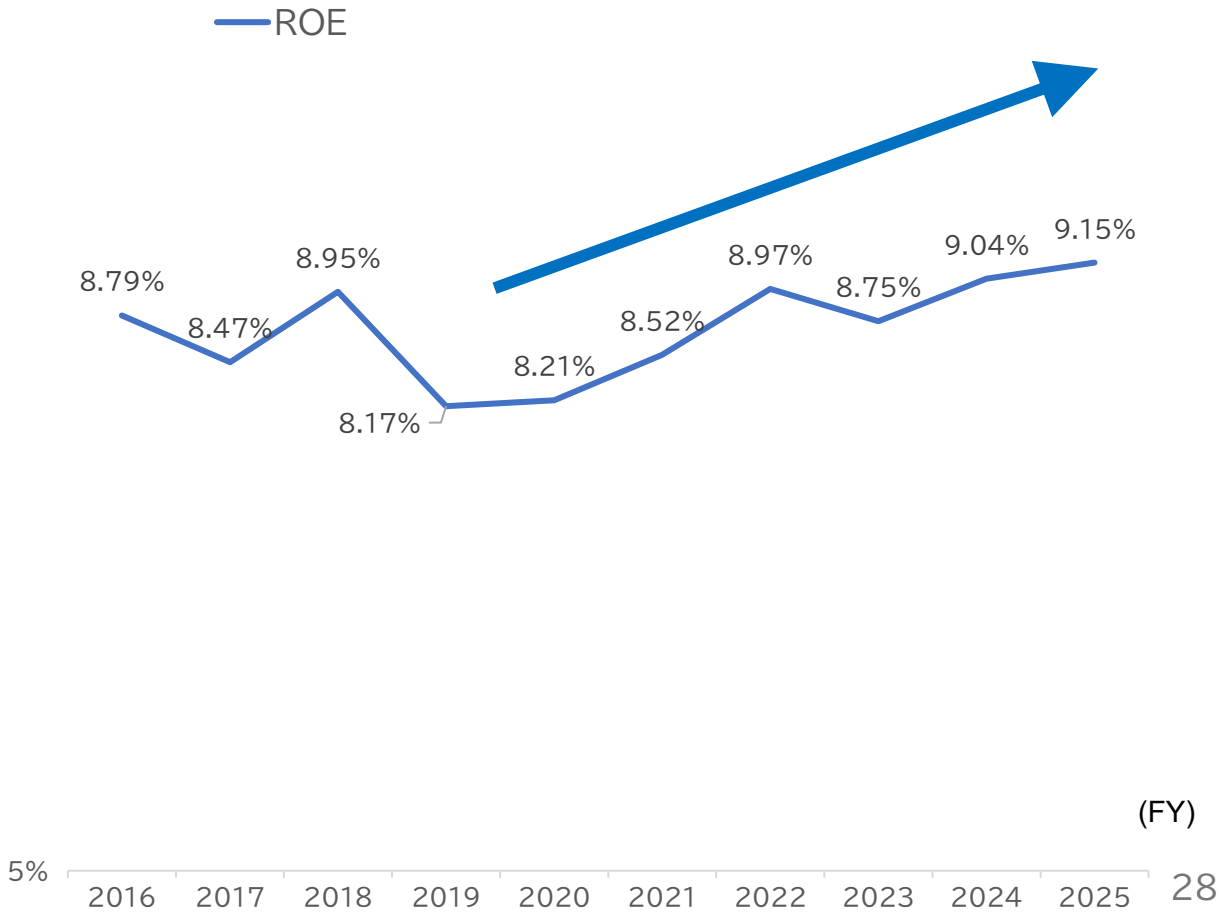


The trends in profit growth and ROE over the past 10 years are as follows.
In addition to steady EPS growth, we will strive to further enhance corporate value by focusing more on capital efficiency.

Further Profit Growth



Improving capital efficiency



< Reference > Profit Growth Cycle Driven by Business Scale Expansion



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The potential and cycle of profit growth from business scale expansion are as follows.

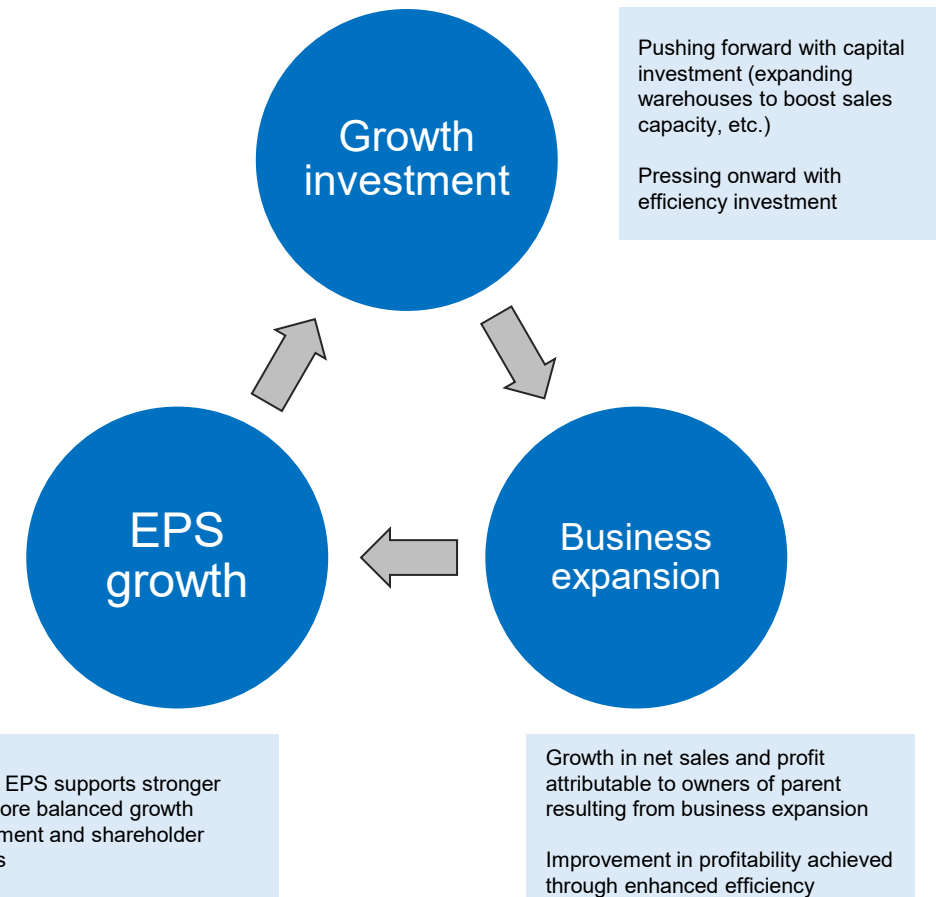
Going forward, by using the cash generated as the source for investment, we will expand existing locations and business areas, thereby increasing sales and net profit, and as a result, continuing to increase EPS (earnings per share).

Potential for Business Scale Expansion



Toyama Sales Office opened in August 2026
Going forward, we will continue to expand existing locations,
We will continue to expand our business areas.

Profit Growth Cycle through Growth Investment



Initiatives to Enhance Corporate Value

In addition to summarizing our current efforts regarding "Action to Implement Management that is Conscious of Cost of Capital and Stock Price" we have also compiled and posted answers to frequently asked questions from institutional investors and others.

<https://www.kohsoku.com/investment/initiatives-to-enhance-corporate-value.html>

We have launched a new English-language webpage outlining our initiatives to enhance corporate value. **【NEW】**

<https://www.kohsoku.com/investment/en/initiatives-to-enhance-corporate-value.html>

IR email distribution service

We will send you the latest timely disclosure and other information related to our IR via your registered email address.

<https://www.kohsoku.com/investment/mail.html>

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This document has been carefully prepared to ensure accuracy; however, its completeness is not guaranteed.

Forward-looking statements contained in this document are based on information and assumptions available at the time of its creation. Actual results may differ from the forecasts due to various factors, and the projected figures may be changed without prior notice.

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Numerical figures in this document are rounded down to the nearest display unit, and percentages are rounded to the nearest unit.



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