

# **KOSHIDAKA HOLDINGS Co., LTD.**

**(TSE Prime Market 2157)**

## **Results of Operations**

**for the First Half of the  
Fiscal Year Ending August 2026  
(1H FY8/2026)**

**April 17, 2026**

# Agenda

- 1 1H FY8/2026 Financial Summary**
- 2 FY8/2026 Consolidated Forecast**
- 3 EIP Final Stage–After EIP**

## Executive Summary

- **Record-high** first half sales but earnings decreased because of strong collaboration program sales one year earlier and investment for new equipment and services. Bottom-line profit increased due to a gain on the sale of non-current assets.
- **Dividend per share:**  
**Interim 13 yen, Year-end 13 yen, Annual 26 yen (planned increase of 2 yen)**  
Dividend increased for the fifth consecutive year to a new all-time high, adjusted for stock splits

# 1. 1H FY8/2026 Financial Summary

# 1H FY8/2026 Consolidated Results of Operations

- Record-high first half sales but existing karaoke store sales were up only 0.3% YoY because of strong collaboration program sales one year earlier.

Earnings down because of higher fixed expenses, including installations of the new POS system and E-bo entertainment boxes. Profit after tax increased because of a gain on the sale of non-current assets.

- Collaboration sales down more than 600 million yen YoY after the big contribution of collaboration sales in 1Q FY8/2025. Existing store sales up 1.5% YoY after excluding collaboration sales.
- Continuing measures for the optimized management of personnel and utility expenses, but earnings decreased because of higher other fixed expenses for installations of new equipment and services as sales were less than planned.
- Profit increased due to the gain on the sale of the Hotel Vista Atsugi.

(Million yen)

Item	1H FY8/2025	1H FY8/2026	YoY change		Vs. 1H forecast	
			Amount	Ratio	Forecast	Achievement ratio
<b>Net sales</b>	34,004	38,932	+4,928	+14.5%	39,431	98.7%
<b>Gross profit</b>	8,594	9,324	+730	+8.5%	-	-
<b>SG&amp;A expenses</b>	3,480	4,320	+840	+24.1%	-	-
<b>Operating profit</b>	5,114	5,004	-110	-2.1%	6,139	81.5%
(Operating profit to net sales)	15.0%	12.9%				
<b>Ordinary profit</b>	5,300	5,224	-76	-1.4%	6,105	85.6%
(Ordinary profit to net sales)	15.6%	13.4%				
<b>Profit attributable to owners of parent</b>	3,192	3,884	+692	+21.7%	4,933	78.7%
(Profit to net sales)	9.4%	10.0%				
<b>Net income per share (Yen)</b>	38.97	47.13	+8.16	+20.9%	59.86	78.7%

## Consolidated Results of Operations by Segment (YoY Change)

**Karaoke:** Continuing to open many stores but existing store sales were down due to the major collaboration program in FY8/2025. Sales were up 1.5% after eliminating the collaboration contribution.

Although the expense ratio declined in personnel and utility expenses because of the optimized management, earnings were up only slightly due to higher other fixed expenses, including installations of the new POS system and E-bo entertainment boxes and other services.

**Real Estate Management:**

Sales remained the same level and earnings up despite the sales of properties, because of the stable performance of existing properties and contribution from new properties.

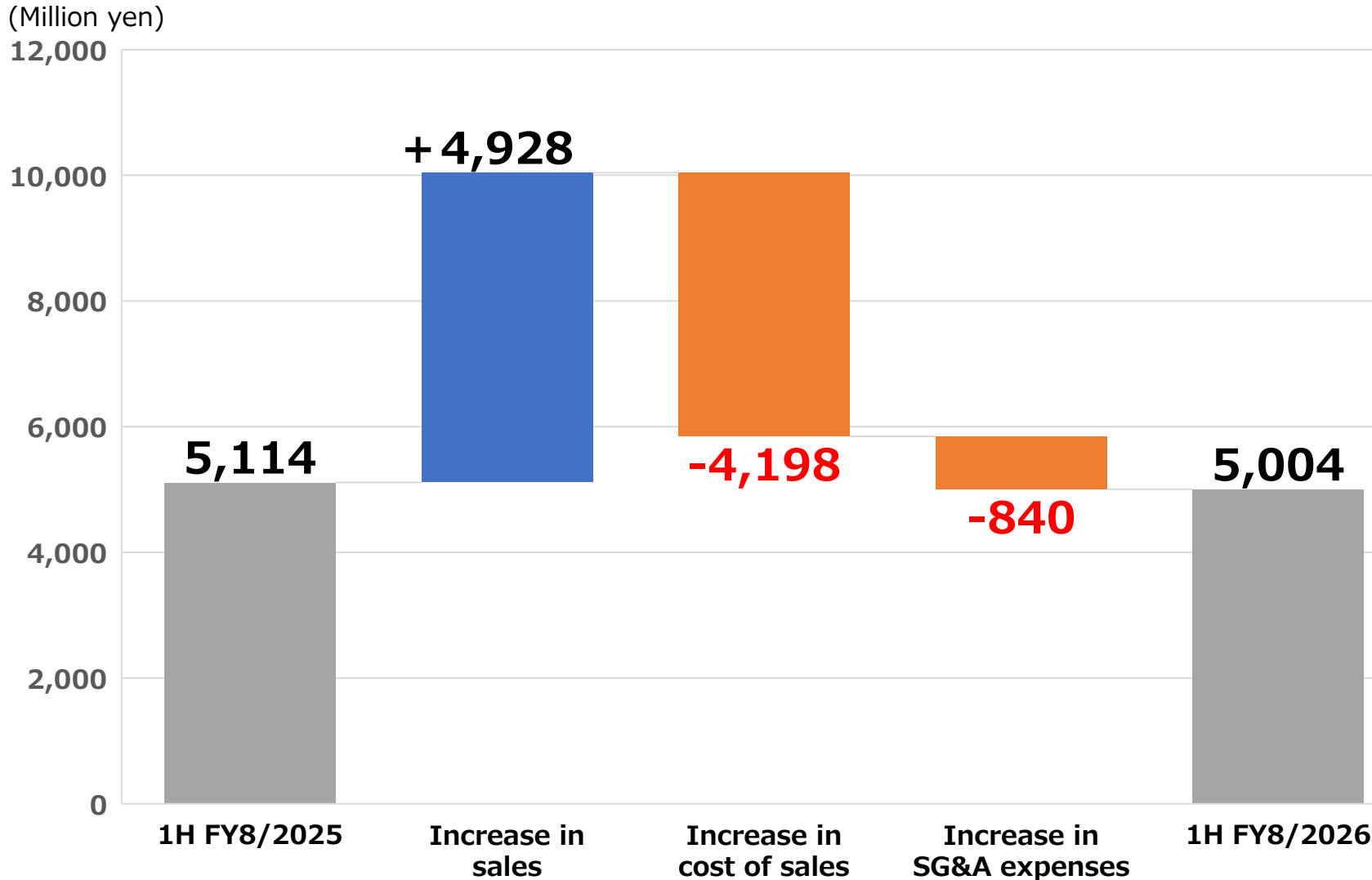
**Other:** Strong sales at existing food and beverage stores but an operating loss caused by closure of remaining bath houses and opening of new CAFÉ ECLA store.  
(Million yen)

Item	1H FY8/2025	1H FY8/2026	YoY change		Vs. 1H forecast	
			Amount	Ratio	Forecast	Achievement ratio
<b>Net sales</b>	34,004	38,932	+4,928	+14.5%	39,431	98.7%
<b>Karaoke</b>	32,900	37,794	+4,894	+14.9%	38,538	98.1%
<b>Real Estate Management</b>	917	927	+10	+1.1%	892	104.0%
<b>Other</b>	442	456	+14	+3.1%	244	186.8%
<b>Adjustment</b>	(255)	(245)	+10	-	(243)	-
<b>Operating profit</b>	5,114	5,004	-110	-2.1%	6,139	81.5%
<b>Karaoke</b>	5,649	5,676	+27	+0.5%	6,749	84.1%
<b>(Operating profit to net sales)</b>	(17.2%)	(15.0%)			(17.5%)	
<b>Real Estate Management</b>	86	111	+25	+28.6%	94	117.2%
<b>(Operating profit to net sales)</b>	(9.4%)	(12.0%)			(10.6%)	
<b>Other</b>	17	(61)	-78	-	4	-
<b>(Operating profit to net sales)</b>	(3.9%)	(-)			(2.0%)	
<b>Adjustment</b>	(638)	(721)	-83	-	(709)	-

# YoY Change in Operating Profit

(Million yen)

■ Increase ■ Decrease ■ Total



## Major increase in sales

- ✓ New stores: +2,221
- ✓ Standard Corp./Koshidaka Malaysia: +3,405
- ✓ Existing stores: +132
- ✓ Store closures: -578
- ✓ Real Estate/Other: +24
- ✓ Adjustment: +10

## Major increase in cost of sales

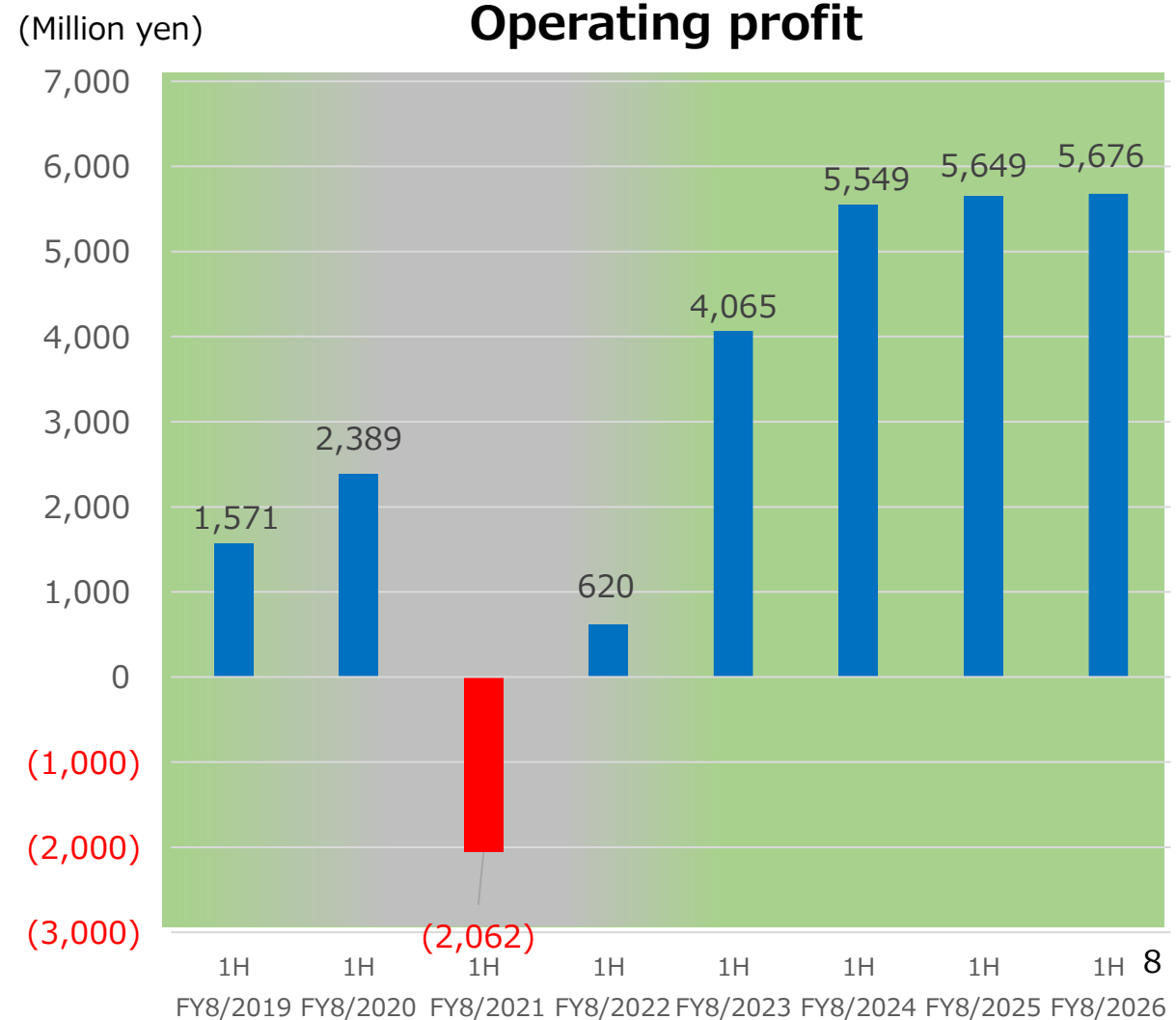
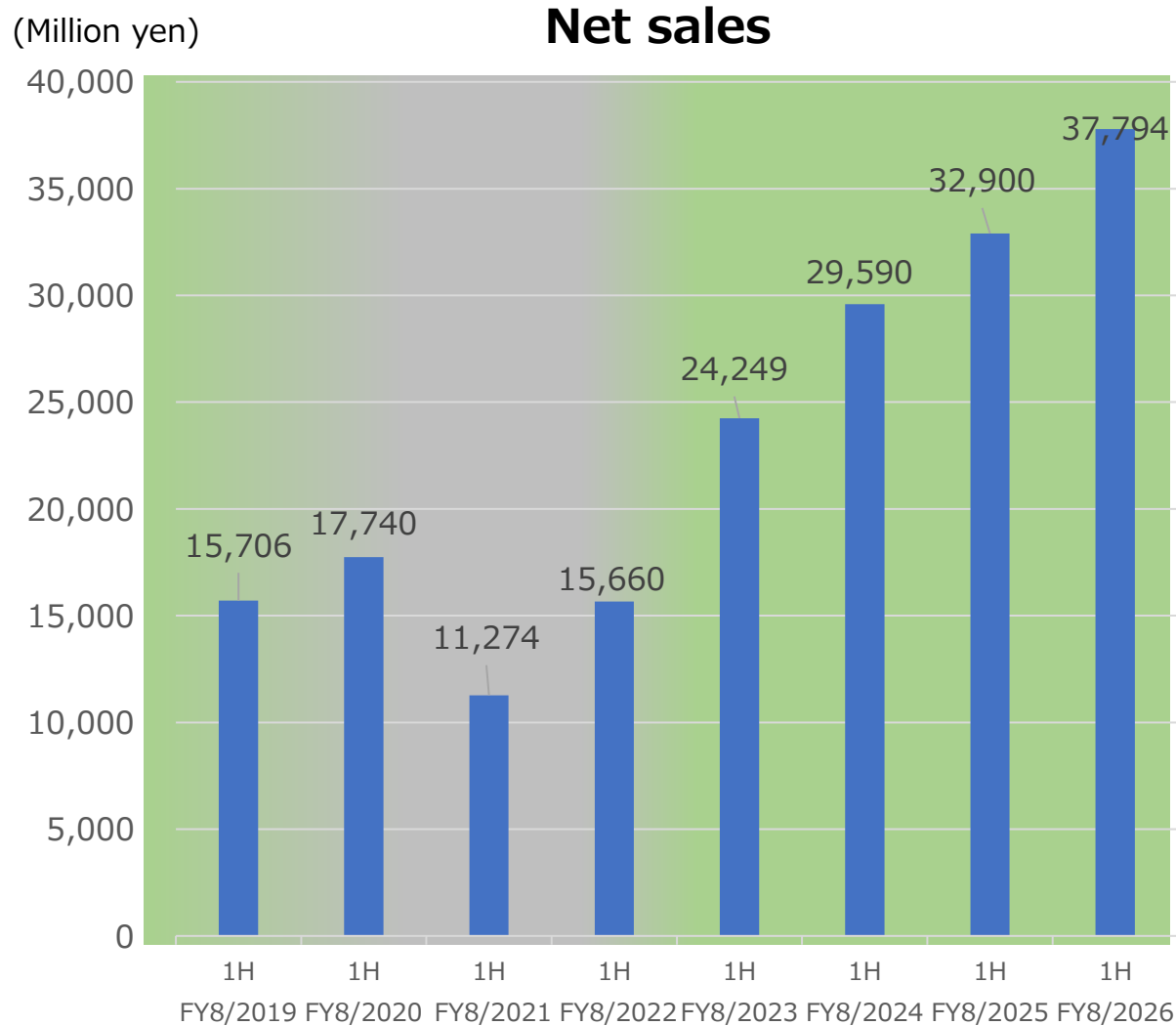
- ✓ Rents: +1,344 (+23.6%)
- ✓ Personnel: +1,132 (+13.7%)
- ✓ Cost of merchandise: +613 (+23.7%)
- ✓ Depreciation: +258 (+12.4%)
- ✓ Utilities: +192 (+10.3%)
- ✓ Equipment & consumables: +169 (+26.2%)

## Major increase in SG&A expenses

- ✓ Fees and commissions: +482 (+188.1%)
- ✓ Personnel: +201 (+21.2%)
- ✓ Amortization of goodwill: +76 (+399 times)
- ✓ Sales promotion expenses: +63 (+2,088 times)
- ✓ Advertising expenses: -63 (-13.6%)
- ✓ Opening expenses: -51 (-11.7%)

(\*Reference) **Changes in 1H Net Sales and Operating Profit**

- Operating losses before the pandemic in the first half, when the break-even point is high. After the recovery from the pandemic, consistent sales and profit.



# Karaoke Business

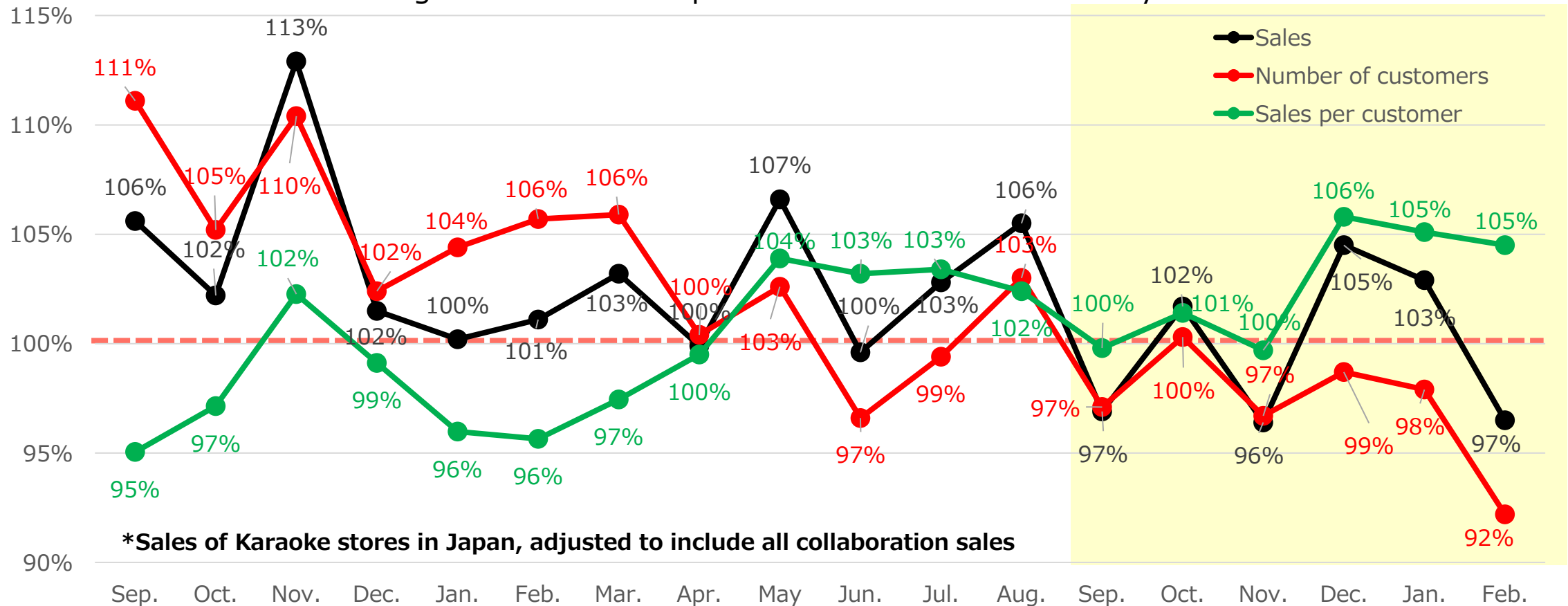
(Million yen)

	1H FY8/2022 Previous classification		1H FY8/2023		1H FY8/2024		1H FY8/2025		1H FY8/2026	
	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.
<b>Net sales</b>	15,660	-	24,249	-	29,590	-	32,900	-	37,794	-
<b>Cost of sales</b>	13,578	86.7%	18,320	75.5%	21,540	72.8%	24,453	74.3%	28,598	75.7%
<b>Gross profit</b>	2,082	13.3%	5,928	24.4%	8,049	27.2%	8,447	25.7%	9,196	24.3%
<b>SG&amp;A expenses</b>	1,461	9.3%	1,863	7.7%	2,500	8.4%	2,798	8.5%	3,520	9.3%
<b>Operating profit</b>	620	4.0%	4,065	16.8%	5,549	18.8%	5,649	17.2%	5,676	15.0%

# Existing Store Sales/Number of Customers/Sales Per Customer

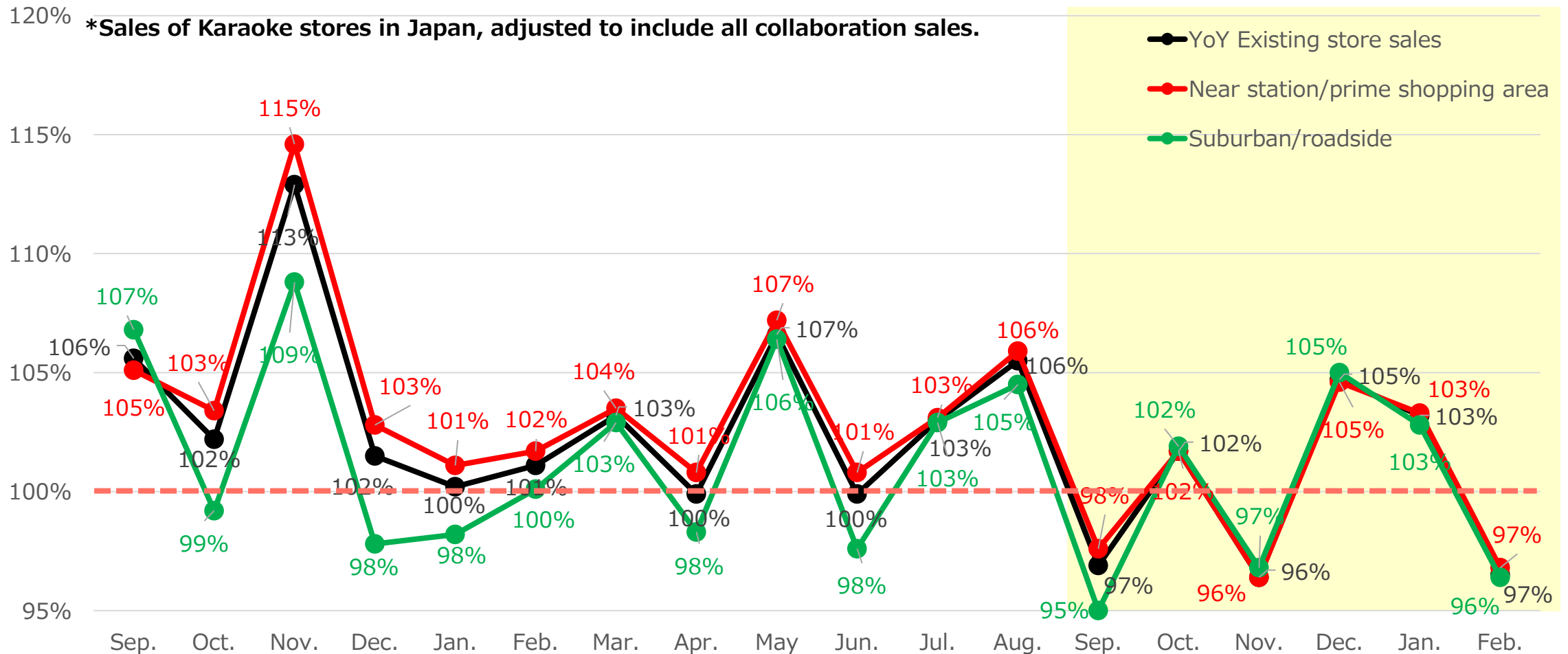
- Existing store sales increased 0.3%, number of customers decreased 2.8%, and sales per customer increased 3.2% compared with the same period of FY8/2025.
- Increased during the year-end/New Year holiday season but decreased in February because of the general election, winter Olympics and heavy snowfall.
- Collaboration sales down (including a more than 300 million yen decline in these sales at existing stores) following a big contribution to sales in Nov. 2024. Existing store sales increased 1.5% after excluding collaboration.

Existing store results compared with same month in the year before



## Existing Store Sales on the Same Month in the Year Before

- Existing store sales (monthly basis) were down 1.8% in 1Q and up 1.9% in 2Q, resulting in a 0.3% increase in the first half of the fiscal year.
- Similar changes in sales in both the near station/prime shopping area and suburban/roadside stores.



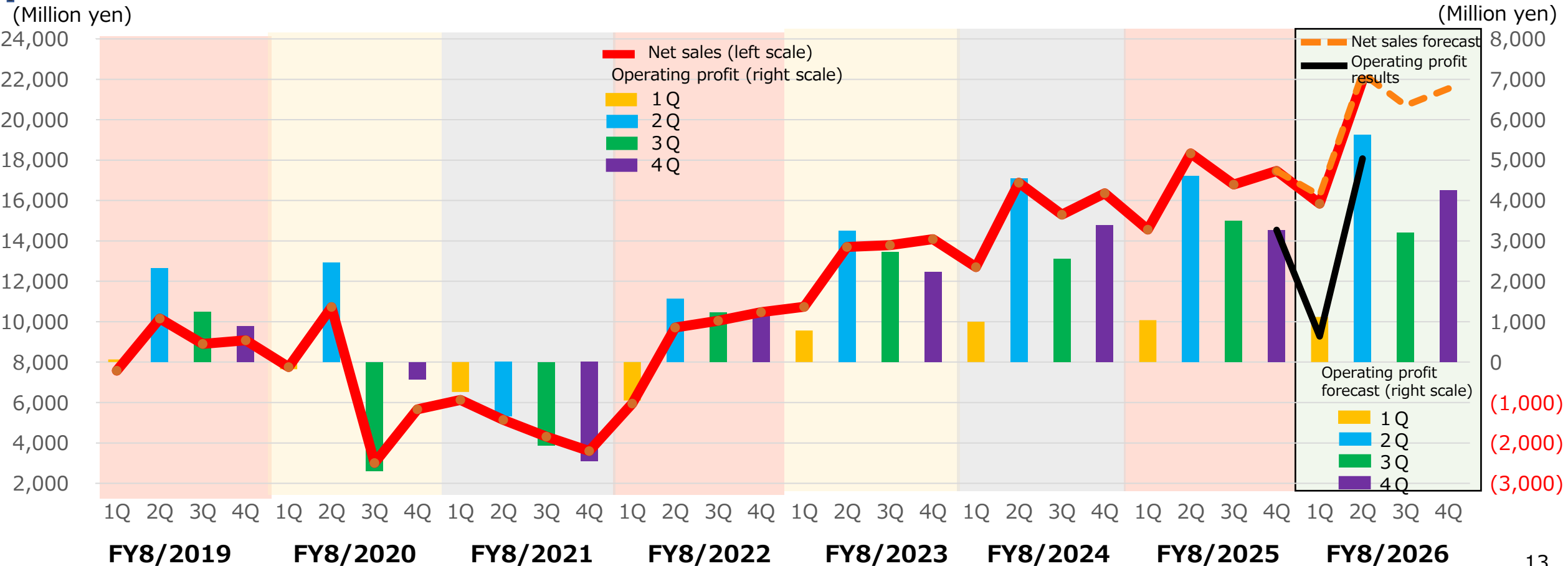
## About 70 Karaoke JOYSOUND Join the KOSHIDAKA Group

- On November 1, using an absorption type split, the new Standard Corp., a Koshidaka subsidiary, received about 70 JOYSOUND karaoke and other stores operated by the former Standard Corp., which was a subsidiary of XING Inc.
- These stores, consolidated starting in November, are expected to increase consolidated sales by about 7,000 million yen and earnings by 200 million yen.
- In the first half of FY8/2026, Standard is included in the consolidated financial statements beginning with November (total of four months). Standard's non-consolidated sales were 2.7 billion yen during this four-month period.
- Operated directly by the manufacturer of Commander, (karaoke equipment), JOYSOUND stores earn high sales per customers and have large F&B menus. While maintaining this high-end position of the JOYSOUND brand, KOSHIDAKA plans to use the JOYSOUND and Manekineko brands for different market categories. Brands will be mutually reexamined in some areas.
- For higher earnings, consolidated purchasing of food, beverages and other supplies, lease negotiations, productivity improvements for all activities, and other cost reduction measures are planned.
- For back office operations, there will be upgrades of new store development and other functions and the integration of tasks for higher efficiency.
- FY3/2025 financial highlights and assets/liabilities acquired
  - Negative net assets at the end of March 2025 was covered by related company loans. These loans will not be transferred to KOSHIDAKA.

# Karaoke Segment Quarterly Net Sales and Operating Profit

- Sales and earnings are lowest in the 1Q and highest in the 2Q, which includes the year-end/New Year holiday, followed by the 4Q, which includes Obon holiday and summer vacation, and the 3Q, which includes spring break and Golden Week.
- Before the pandemic, there was a loss in the 1Q every year but the 1Q was profitable for the fourth consecutive year from FY8/2023.

## Karaoke Segment Quarterly Net Sales and Operating Profit



## Number of Karaoke Stores and Rooms

Number of Stores/Rooms		FY8/2025		1H FY8/2026		Change	
		No. of stores	No. of rooms	No. of stores	No. of rooms	No. of stores	No. of rooms
Manekineko	Near railway stations/ prime shopping areas	409	11,660	419	11,919	+10	+259
	Suburban/roadside locations	288	7,185	293	7,405	+5	+220
	Total	697	18,845	712	19,324	+15	+479
One Kara		6	207	6	191	0	-16
JOYSOUND Standard Corp.	Near railway stations/ prime shopping areas	-	-	63	1,779	+63	+1,779
	Suburban/roadside locations	-	-	6	170	+6	+170
	Total	-	-	69	1,949	+69	+1,949
Total		703	19,052	787	21,464	+84	+2,412

Number of Stores opened/closed		1Q FY8/2025	2Q FY8/2025	3Q FY8/2025	4Q FY8/2025	FY8/2025	1Q FY8/2026	2Q FY8/2026	1H FY8/2026
No. of stores opened	Near railway stations/ prime shopping areas	10	6	5	12	33	8	3	11
	Suburban/roadside locations	6	1	3	7	17	6	3	9
	Total	16	7	8	19	50	14	6	20
No. of stores closed		3	2	2	4	11	3	2	5

## Overseas Performance

- Continued rapid store openings in Southeast Asia:  
Opened three stores in Malaysia and one store in Indonesia in the first half.
- The new flagship stores raised brand recognition and the larger size of stores is improving profitability.
- In the U.S., preparations under way for opening the first store. (construction, applications)
- Established a subsidiary in the Philippines, and seeking suitable locations for stores.



Alamanda, Malaysia

Selayang, Malaysia



Bintaro X-change Mall, Indonesia

(Million yen)

	FY8/2025			FY8/2025			FY8/2026		
	Full year			1H			1H		
	Net sales	Operating profit	No. of locations	Net sales	Operating profit	No. of locations	Net sales	Operating profit	No. of locations
Overseas	1,451	63	25	723	55	25	852	(4)	29
South Korea	94	(30)	4	53	(11)	4	45	(23)	4
Malaysia	926	108	15	456	62	15	553	40	18
Thailand	312	(10)	4	153	6	4	184	(14)	4
Indonesia	119	(5)	2	61	(2)	2	70	(7)	3

\*Sales and operating profit in Thailand and Indonesia are not consolidated.

# Real Estate Management/ Other Businesses

## Real Estate Management Business

- Occupancy was almost 100% at major properties  
→ AQERU Maebashi, MANEKI Shimbashi Building, Fleuret Sakuragicho
- Higher sales and earnings and an increase in expenses of newly acquired properties
- Hotel Vista Atsugi has been sold and a gain on sale was recorded under extraordinary income for 1Q FY8/2026. Related revenue decreased.

(Million yen)

	1H FY8/2022		1H FY8/2023		1H FY8/2024		1H FY8/2025		1H FY8/2026	
	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.
<b>Net sales</b>	536	-	753	-	749	-	917	-	927	-
<b>Cost of sales</b>	460	85.8%	610	81.0%	697	93.1%	809	88.2%	797	85.9%
<b>Gross profit</b>	76	14.2%	143	19.0%	53	7.1%	108	11.8%	131	14.1%
<b>SG&amp;A expenses</b>	7	1.3%	14	1.9%	12	1.6%	22	2.4%	20	2.1%
<b>Operating profit</b>	68	12.7%	129	17.1%	40	5.3%	86	9.4%	111	12.0%

## Other Businesses

- Sales and earnings at existing food and beverage stores such as “Gindaco Highball” and “CAFÉ ECLA” were increasing.
- The loss is attributable to one-time expenses for closure of two bath houses and opening of two new CAFÉ ECLA stores.

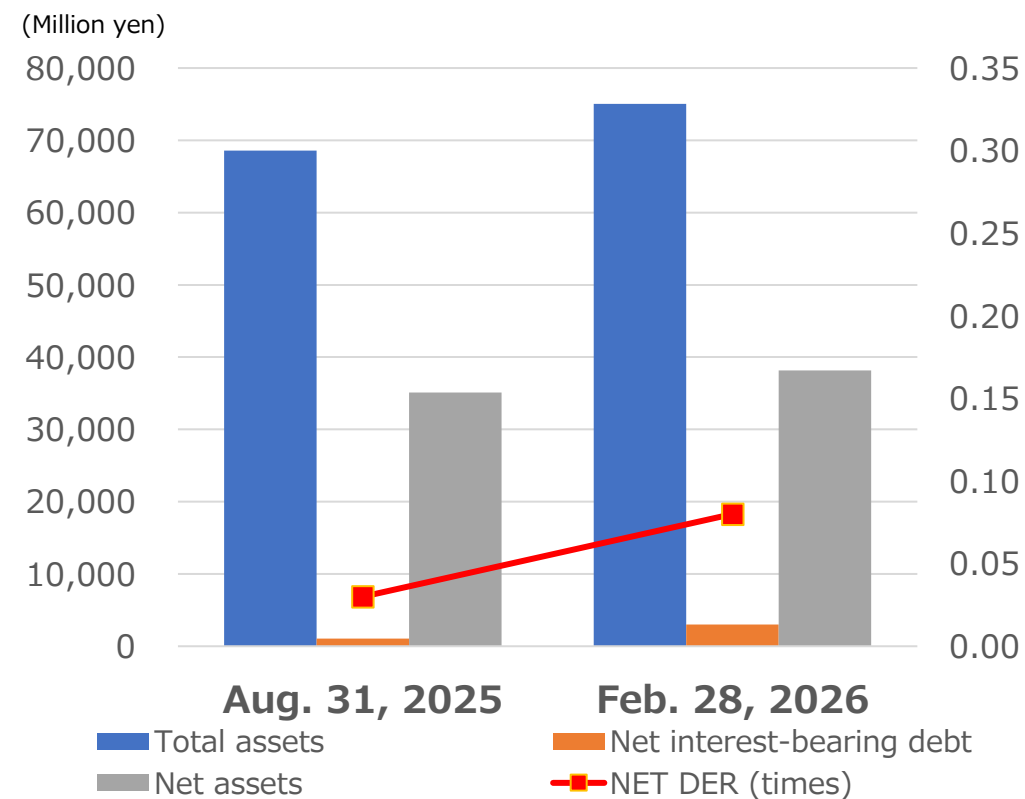
(Million yen)

	1H FY8/2022 Previous classification		1H FY8/2023		1H FY8/2024		1H FY8/2025		1H FY8/2026	
	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.
<b>Net sales</b>	437	-	717	-	434	-	442	-	456	-
<b>Cost of sales</b>	470	107.6%	710	99.0%	451	103.9%	402	90.8%	459	100.5%
<b>Gross profit</b>	(32)	-	7	1.0%	(16)	-	41	9.2%	(2)	-
<b>SG&amp;A expenses</b>	13	3.0%	23	3.2%	23	5.3%	24	5.4%	59	12.9%
<b>Operating profit</b>	(46)	-	(15)	-	(39)	-	17	3.9%	(61)	-

# Balance Sheet and Cash Flows

## Balance Sheet

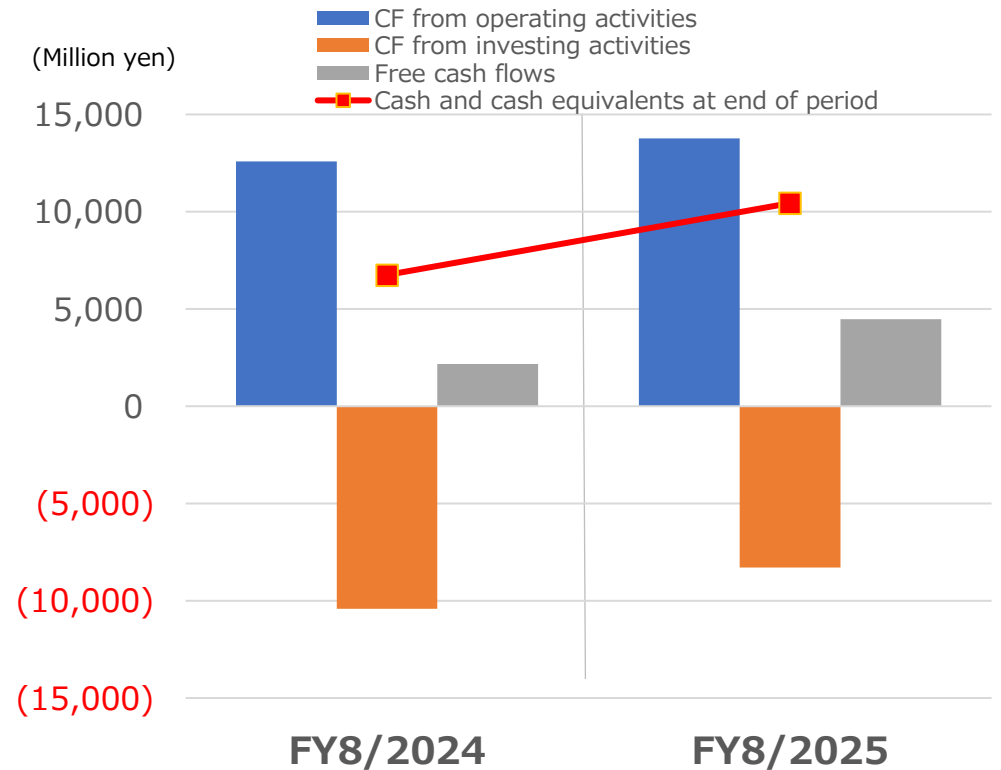
	(Million yen)		
	August 31, 2025	February 28, 2026	Change
Current assets	15,791	13,447	-2,345
Non-current assets	52,797	61,630	+8,833
<b>Total assets</b>	<b>68,588</b>	<b>75,077</b>	<b>+6,488</b>
Current liabilities	14,923	16,406	+1,483
Non-current liabilities	18,559	20,485	+1,926
<b>Net assets</b>	<b>35,105</b>	<b>38,185</b>	<b>+3,080</b>
<b>Net interest-bearing debt</b>	<b>1,038</b>	<b>2,992</b>	<b>+1,955</b>
<b>Equity ratio</b>	<b>51.2%</b>	<b>50.9%</b>	<b>Down 0.3%pt</b>
<b>Net DER (times)</b>	<b>0.03</b>	<b>0.08</b>	<b>Improvement 0.05</b>
<b>ROE* (Vs. 1H FY8/2025)</b>	<b>*9.9%</b>	<b>10.6%</b>	<b>Up 0.7%pt</b>



Assets increased mainly because of many new stores and additional non-current assets due to the acquisition of Standard. Goodwill was 2.9 billion yen at the end of February 2026. Current assets decreased and net interest-bearing debt increased because funds were transferred from year-end cash balances to cover the absorption-type split and the fiscal year-end dividend. The debt-equity ratio increased due to the large volume of cash and deposits at the end of FY8/2025 but remains significantly low. The ROE was up by 0.7 points because of increases in net assets and net profit.

# Cash Flows

	(Million yen)		
	1H FY8/2025	1H FY8/2026	Change
Cash flows from operating activities	+5,315	+6,643	+1,327
Cash flows from investing activities	(4,035)	(7,692)	-3,657
(Free cash flows)	+1,280	(1,049)	-2,330
Cash flows from financing activities	+54	(1,752)	-1,807
Cash and cash equivalents at end of period	8,050	7,792	-258



No change in using operating cash flows for the addition of many new stores. Free cash flow was negative due to expenditures related to the business acquisition. Funds set aside in the second half of FY8/2025 were used, resulting in a slight decrease in cash and cash equivalents as of the end of the first half of FY8/2026.

## 2. FY8/2026 Consolidated Forecast

# FY8/2026 Forecast

## Consolidated Forecast

(Million yen)

Items	FY8/2025 Result	FY8/2026 Forecast	Vs. FY8/2025	
			Change	Ratio
<b>Net sales</b>	69,387	82,046	+12,659	+18.2%
<b>Operating profit</b>	11,392	11,831	+438	+3.8%
<b>(Operating profit to net sales)</b>	(16.4%)	(14.4%)		
<b>Ordinary profit</b>	11,598	12,030	+432	+3.7%
<b>(Ordinary profit to net sales)</b>	(16.7%)	(14.7%)		
<b>Profit attributable to owners of parent</b>	5,258	6,451 to 8,444	+1,192 to +3,185	+22.7% to +60.6%
<b>(Profit to net sales)</b>	(7.6%)	(7.9%) to (10.3%)		
<b>Net income per share (Yen)</b>	64.01	78.27 to 102.45	+14.25 to +38.43	+22.3% to +60.0%

### ■ Karaoke Business

- Forecast no change in existing store sales in Japan.
- Sales forecast includes the first full FY contribution of the 50 stores added in FY8/2025 and sales from new stores to be added in FY8/2026.
- Forecast includes sales of 7,000 million yen and operating profit of 200 million yen for newly consolidated Standard Corp. (Nov. 2025 to Aug. 2026).
- Expect first half benefits from continuing profitability enhancing measures, including actions for optimizing labor productivity and rigorous electricity reduction measures. Forecast higher FY8/2026 earnings as the initial 2H forecast remains unchanged.
- Forecast sales of 1,000 million yen and operating profit of 100 million yen at Koshidaka Malaysia, newly consolidated in FY8/2026.
- 994 million yen in gain on sale of non-current assets as extraordinary income 1Q. (Hotel Vista Atsugi, etc.)
- The lower limit forecast anticipates an extraordinary loss equivalent to impairment loss in FY8/2025 at the end of period.

[Reference]

Common stock equivalents for the stock acquisition rights and convertible bonds held by Advantage Partners are 8,889 thousand shares at 675 yen per share.

## FY8/2026 Forecast by Segment

### Forecast by Segment

(Million yen)

Items	FY8/2025 Result	FY8/2026 Forecast	YoY
			Change
<b>Net sales</b>	69,387	82,046	+12,659
Karaoke	67,162	80,037	+12,874
Real Estate Management	1,857	1,818	-39
Other	879	699	-180
Adjustment	(511)	(489)	23
<b>Operating profit</b>	11,392	11,831	+438
<b>(Operating profit to net sales)</b>	(16.4%)	(14.4%)	
Karaoke	12,405	13,121	+715
(Operating profit to net sales)	(18.5%)	(16.4%)	
Real Estate Management	222	208	-14
(Operating profit to net sales)	(12.0%)	(11.4%)	
Other	37	(67)	-104
(Operating profit to net sales)	(4.3%)	(-)	
Adjustment	(1,272)	(1,431)	-158

#### ■ Real Estate Management

- Hotel Vista Atsugi was sold as of October 24. Corresponding revenue decreased thereafter. The related gain on sale is as stated on the previous page.

#### ■ Other Business

- Termination of the bath house business by closing “Koriyama Yudokoro Maneki-no-Yu” and “Misato Onsen Maneki-no-Yu” is expected to reduce sales by about 500 million yen.
- Forecast sales growth of 100 million yen due to higher sales at existing food and beverage stores and to opening new F&B locations.

## FY8/2026 Dividend Policy

Distributing earnings to shareholders is one of the highest priorities of Koshidaka Holdings. Our policy is to pay dividends consistently while taking steps for the medium/long-term growth of the value of our stock. By accomplishing the Entertainment Infrastructure Plan\*<sup>1</sup> and creating the next core drivers of growth, we are aiming for more growth of our businesses and the even more efficient use of capital.

The specific dividend amount will be determined year to year based on the need to reinvest funds in current and new businesses and for other purposes and plan for a medium-term steady increase in the dividend payout ratio.

- Plans to pay an interim dividend of 13 yen, which is an increase of 1 yen from the FY8/2025 year-end dividend, and a year-end dividend of 13 yen, for a total full-year dividend of 26 yen per share.

### Dividend per share/Payout ratio

(Yen)

	FY8/2020	FY8/2021	FY8/2022	FY8/2023	FY8/2024	FY8/2025	FY8/2026 (forecast)
<b>Interim</b>	8.0	2.0	4.0	5.0	7.0	12.0	13.0
<b>Year-end</b>	4.0	2.0	4.0	7.0	11.0	12.0	13.0
<b>Annual</b>	12.0	4.0	8.0	12.0	18.0	24.0	26.0
<b>Payout ratio</b>	-	-	17.9%	13.8%	21.8%	37.5%	33.2% to 25.4%

\*1. The Entertainment Infrastructure Plan has the goal of accomplishing the medium-term corporate vision of "entertainment as infrastructure."

## Shareholder Benefit Program (Record Date: August 31)

Shares held	Length of shareholding	Gift
<b>At least 100</b>	Under three years	2 coupons (2,000 yen)
	Three years or more	4 coupons (4,000 yen)
<b>At least 400</b>	Under three years	5 coupons (5,000 yen)
	Three years or more	10 coupons (10,000 yen)
<b>1,000 or more</b>	Under three years	10 coupons (10,000 yen)
	Three years or more	20 coupons (20,000 yen)

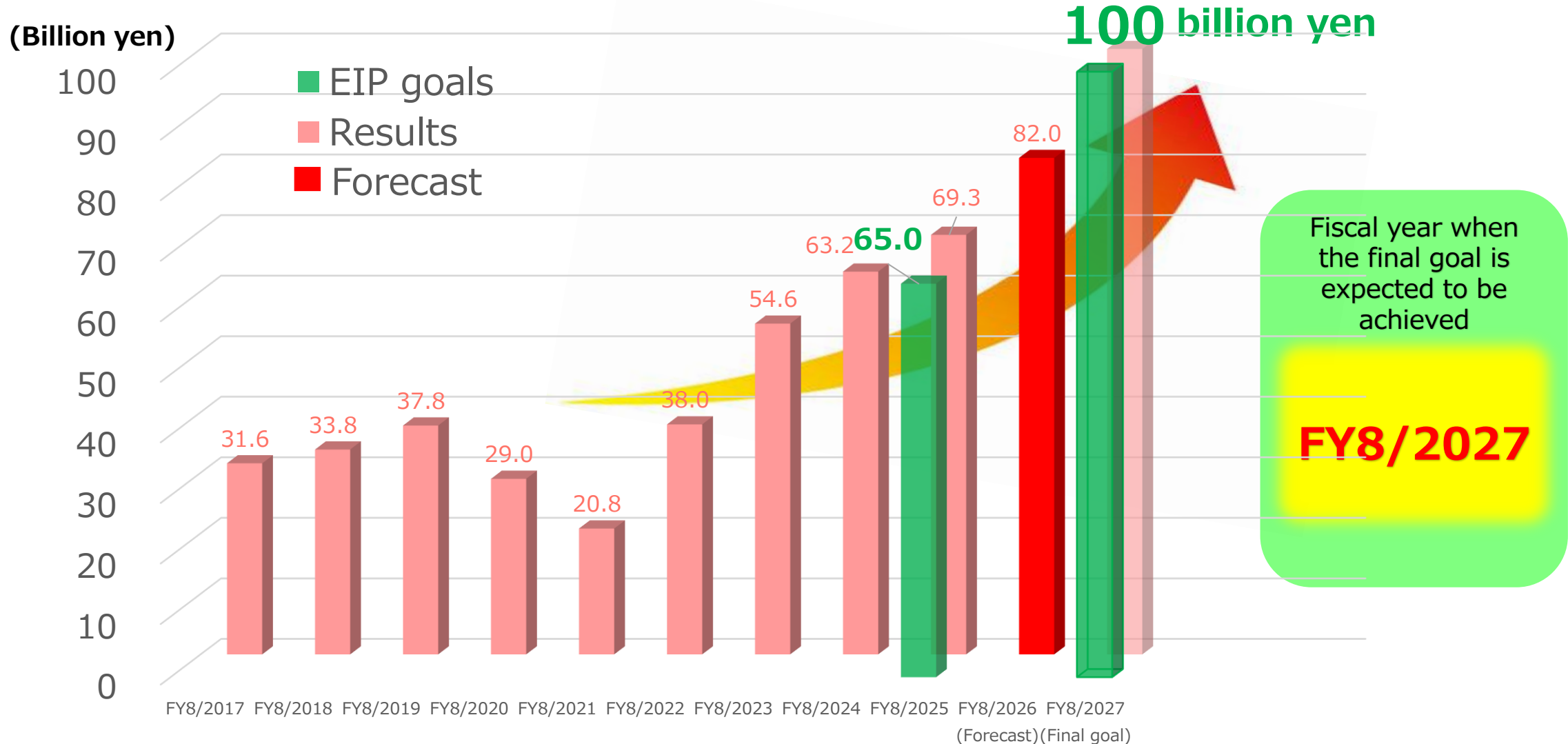
\*Shareholder gift coupons can be used at Karaoke Manekineko, Karaoke Kin-no Manekineko and One-Kara (single-use room karaoke) in Japan. (These coupons are not valid at Gindako-High Ball Sakaba, CAFÉ ECLA and other KOSHIDAKA Group stores.)

Up to five coupons can be used for a single visit and coupons can be used with other coupons.

# 3. EIP Final Stage

## –Toward FY8/2027

Reached the intermediate EIP goal of 65 billion yen in FY8/2025 and expect to reach the final goal of 100 billion yen in FY8/2027



## EIP final stage – KPI Targets for the final year (FY8/2027)

Item		FY8/2019	FY8/2024	FY8/2025	FY8/2026 (Forecast)	FY8/2027 (Final goal)	(Reference) TSE Prime non-manufacturing industry (FY2024)
<b>Net sales</b>	Billion yen	37.80	63.26	69.39	82.05	100.0	-
<b>Operating profit (Operating margin)</b>	Billion yen (%)	9.51 (10.1)	10.16 (16.1)	11.39 (16.4)	11.83 (14.4)	At least 15.0 (At least 15.0)	- (6.6)
<b>Payout ratio</b>	%	15.7	21.8	37.5	26.9* to 35.3*	At least 35.0	32.5
<b>DOE</b>	%	3.3	5.2	6.0	5.8* to 5.9*	At least 6.0	3.1
<b>ROE</b>	%	21.3	24.1	16.1	15.9* to 20.3*	16.6 (est.)*	10.5

\*Upon assumption in which conversion of convertible bonds and exercise of share acquisition rights in FY8/2026.  
Estimated figures for FY8/2027 are based on the median forecast for the FY8/2026 profit.

# Final EIP initiatives

## Initiative 1

### The EIP final stage\*1

- A) Double the pace of store openings: Higher speed of Manekineko openings, acquisition of JOYSOUND stores
- B) More private entertainment rooms (PER)\*2: Convert karaoke rooms into entertainment rooms
- C) A sound organizational structure: Personnel system measures (Ongoing increase in salary): big increases in average employee salaries in FY8/2024-2025), workforce diversity (people with disabilities, people with advanced skills, etc.), upgraded training programs.  
Expanding the diversity of the Board of Directors: Achieve a 30% female director ratio target at the General Meeting of Shareholders scheduled for November 2025.

## Initiative 2

### Improve profitability by increasing productivity

- Improve labor efficiency by installation of a new POS system (early 2026) and implementing room charge including free-fall drink
- Rigorous headquarters-led oversight of expense management to lower labor, utilities, and other costs.

## Initiative 3

### Full-scale expansion outside Japan

- Accelerate store openings in countries in Southeast Asia with enormous potential for growth.
- Start making plans to start operations in the United States.

## Initiative 4

### Create new sources of earnings

- B-to-C operations using Koshidaka assets, content business, M&A

\*1 The Entertainment Infrastructure Plan has the goal of accomplishing the medium-term corporate vision of “entertainment as infrastructure.”

\*2 Private Entertainment Rooms, which are part of the “entertainment as infrastructure” vision, are a platform for providing karaoke along with many other forms of entertainment.

# 1 A Double the pace of store openings

- In the Tokyo Metropolitan area, continue adding locations in prime shopping areas and near stations; aim for high profitability and productivity by rapidly reaching top speed in operations at new stores
- In the Kinki region and Nagoya area, raise brand awareness by continuing to place emphasis on adding more stores
- Continue adding locations in areas with the potential for new stores; currently no stores in only two (Tottori, Wakayama) of Japan's 47 prefectures

## Strategy for new stores

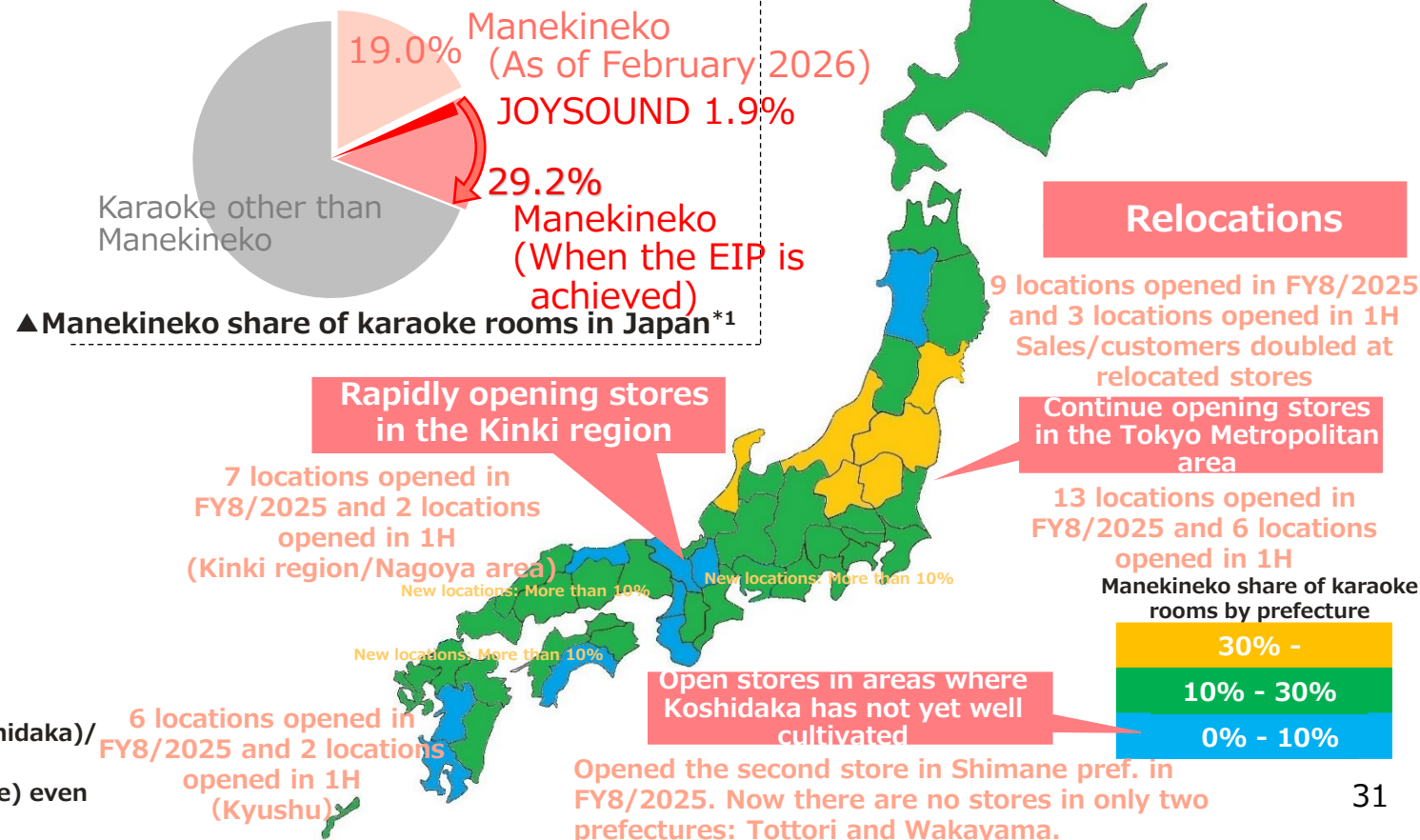
Continue opening many stores near stations and shopping districts, mainly in the Tokyo Metropolitan area

Rapidly increase the number of locations in the Kinki region  
Open stores in regions where there is enormous potential for growth

Relocation of existing stores for larger stores in prime locations

Opening of 100 stores per year

## Current (2026/2) status in Karaoke Market in Japan



\*1 Calculated based on the number of rooms as of August 31, 2025 (Koshidaka)/ Karaoke White Paper as of March 31, 2025  
Assumes no change in the total number of rooms (102,712 nationwide) even when the EIP is achieved.

## 【New brand “GLANZA” launched, multi brand strategy】

- New brand “KARAOKE GLANZA” has been just launched by Standard Corp. which operates 69 “JOYSOUND” brand karaoke stores
- While “Karaoke Manekineko” brand covers ordinary customer segment, “GLANZA” is meant to appeal to upper layer customers under the concept “Spaces where adults can stay comfortably”.
- At Standard, existing outlets will be converted into “GLANZA” brand outlets. In consolidated basis, multi-brand will be applied, to maximize the sales and profits as a total Karaoke business by choosing the best fit brand for each location and customers, varied from one outlet to another outlet.



# 1 B PER (Private Entertainment Room)

Converting karaoke rooms into private entertainment rooms (PER) for karaoke as well as for enjoying many other services. Transforming karaoke boxes into entertainment boxes.

## Upgrade existing PER services



Live viewing



Darts and billiards



Mirroring



## E-bo entertainment platform



Installed at all locations

## Content collaborations



And more ...

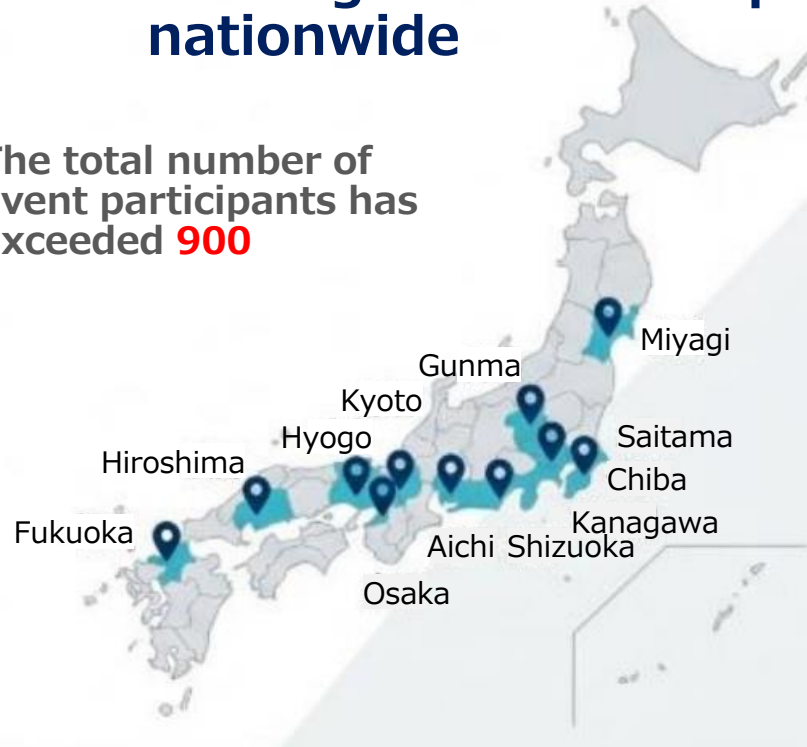
## Alliances: Mutual attraction of customers, joint use of store infrastructures and other benefits



# Example: Pairs × Manekineko Matchmaking Event

**Scale of event operations:  
Hosting events in 13 prefectures  
nationwide**

The total number of event participants has exceeded **900**



## Event Summary

Period: From Sep. 2025 to Mar. 2026

**Total number of events:  
35**

Area: Primarily the Tokyo-Nagoya-Osaka region, expanding nationwide



# Example: Mane-Challe (Manekineko Challenge)



## Finding stars to Original Recording Rights Business

**Karaoke Manekineko: From a “place to sing” to a “place where dreams come true”**

### ■ Feedback and Results

#### ■ from the First Mane-Challe

No. of applicants: Approx. 1,200 (2,000 registrants)

Winner: 1

Signed artists: 5

Companies participated: Sony Music Entertainment/Victor Entertainment/PONY CANYON/KING RECORD/CE Music Creative/B-ZONE/upcoming/HoneyWorks

**Grand Prize Winner: Miina, currently preparing for a debut with a song by HoneyWorks (Manekineko Music Entertainment)**

**Prize Winner: Namamugi, debut with “BUKIYO-chan,” released on January 28 (Sony Music)**

**Prize Winner: fuzu, currently preparing for a debut with Pony Canyon**

**Prize Winner: Kokone, Nanopika, Koharu, currently preparing for a debut with Manekineko Music Entertainment**

### ■ The Second Mane-Challe

Applications open on April 17

Pre-registration is currently underway (2,300 registrants as of April 10)

Music provided by: Root (STPR)



**Grand Prize Winner : miina**

**Establish Koshidaka’s own label and started original recording rights business**

**increasing the number of songs managed**



Starting a new service on June 30, 2025 that uses **original recordings of music!**

- Expand to all areas in Japan: E-bo has been installed nationwide since September 2025. (completed at all outlets by the end of October 2025.)
- Enrich Contents: June 30, 2025: **Number of songs increased, sound quality improved to the completely different level with new ways of enjoying. → See the next page**

August 28, 2025: Start of mirroring capability

September 3, 2025: Start of fee-based viewing of some WOWOW sports programs

December 18, 2025: Start provision of Momotaro Dentestu for E-bo

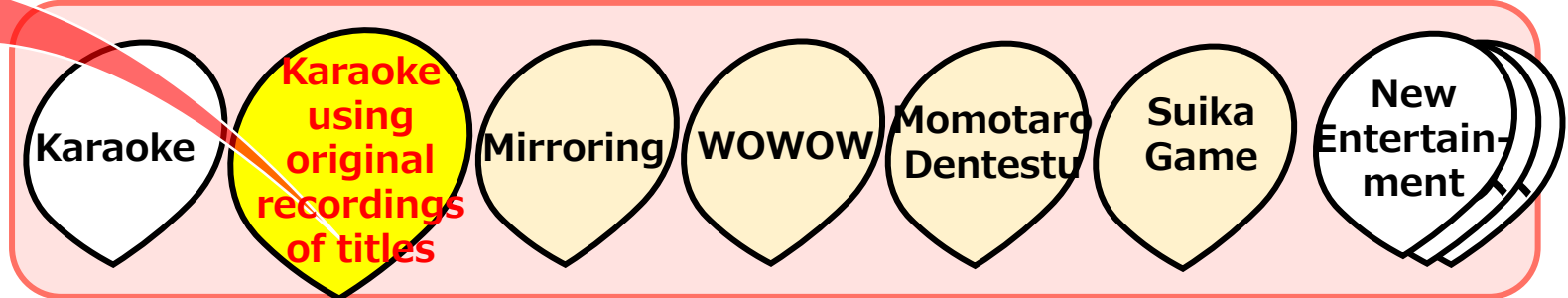
February 5, 2026: Suika Game Manekineko Ver.

All outlets in Japan  
(Sept. 2025-)

2,500 units

Tokyo Metropolitan area  
193 outlets

500 units



## A New Experience – Artists' Original Recording Versions

If you want to sing Karaoke immersively, try  
Moving Experience by "Artists' Original Recording Versions"



High quality sound of  
original recording  
version  
**Authentic sound!**



Immersively sing along  
with the artists  
**Moving Karaoke  
Experience**



Vaste Repertoire  
**Sing any piece at  
anytime you like**

**1 C [Progress and Goals] Strategic internal actions– A sound organizational structure**  
**Continue** actions to build a sound infrastructure to serve as the foundation for growth in order to accomplish the goals of the Entertainment Infrastructure Plan

1

**Personnel system reforms**

- Progress in the Workstyle Innovation Plan
  - Restructuring of salary level and evaluation system  
 New personnel system: Introduced in FY8/2024  
 Salary level: Big increases in average employee salaries during the period from FY8/2024 to FY8/2025
  - Further enhancement of welfare benefits and reform of work style  
 Increased consecutive days off

2

**Workforce diversity**

- Hire People with disabilities
- Continue hiring people with advanced skills
- More people for finding locations for new stores and opening stores
- Add many employees for overseas business expansion

3

**Strengthen training programs at Maneki-Juku (employee training center)**

- Start training for specific job and management categories; hold regular training sessions for all employees
- Develop video of operation manuals
- Enhance training programs

4

**Increase the proportion of female directors on the board of directors**

- Achieving the 30% target for 2030 ahead of schedule at the General Meeting of Shareholders

5

**Activities to help accomplish the SDGs**

- Use the Sustainability Committee to conduct corporate social responsibility and environmental activities.
- Single-parent family support (Maneki Smile Passport)
  - “Let’s Sing –a good cheer song” project  
 (Singing this song will be a donation to orphanages and other institutions)
  - Initiatives for carbon neutrality
    - Achieved effective 100% renewable energy use in March 2025

## 2 Improve profitability by increasing productivity

1

### Free fall drinks, new services, new POS system for more productivity improvements

- Implementing room charge including free fall drink, self-service alcoholic beverage, self-service snacks and other services at some locations for even higher productivity while boosting sales.
- Save labor needed for checking in and out by using through check-in/out and self check-in and self payment systems. Utilize saved labor into suggestions and other sales activities for sales growth.

2

### Rigorous headquarters-led oversight of expense management

- Continue weekly monitoring of sales and the number of customers per man-hour target achievement, absorbing wage increases to reduce labor costs to sales.
- Strictly control electricity usage for individual rooms and different time periods. Lower utility and environmental control expenses while maintaining a pleasant environment for customers.

## Example : Okashi-Bar (Free fall candy, pancakes, popcorns)

### Additional reasons to visit Maneki-neko, even-higher productivity

- 27 outlets : as of 2026/4/17

(Self-alcohol Bar 7 outlets)

- With QR Code on invoice sheet, can enter the corner

- Candy server, popcorn cooker, Pancake cooker and Cotton candy Maker are available in the corner

Soft served Ice Cream available at normal drink bar



### 3 Growth outside Japan: Faster SE Asia growth and start of U.S. planning

Continue to add locations in Southeast Asia, where markets and economics are growing steadily. In the economically mature U.S. market, export the **Family Karaoke** business model as a form of entertainment content.

#### Strategies for growth of the karaoke business outside Japan

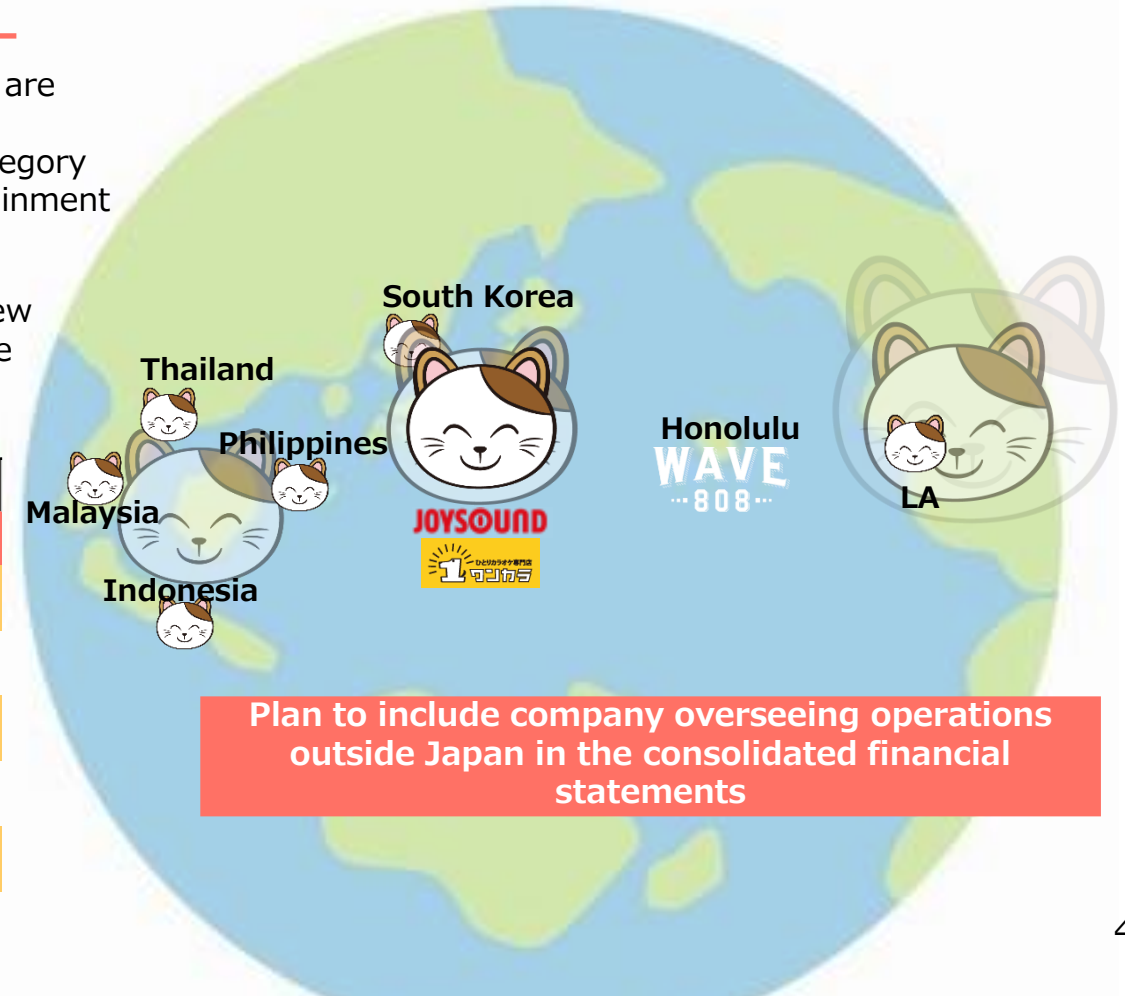
##### Southeast Asia

- SE Asia now has a karaoke culture but most karaoke boxes are nighttime operations
- Rapid growth of the middle-income population, a target category for establishing true family karaoke as an option for entertainment

##### U.S.

- The karaoke culture is still not well established
- Offering family karaoke with “cool Japanese content” as a new option for entertainment in the mature U.S. market to create and establish a market for karaoke

	Nation-wise plan for number of outlets						
	26/2	26/8	27/8	28/8	29/8	30/8	31/8
<b>Overseas total</b>	<b>29</b>	<b>31</b>	<b>52</b>	<b>82</b>	<b>129</b>	<b>180</b>	<b>235</b>
<b>Malaysia</b>	<b>18</b>	<b>20</b>	<b>30</b>	<b>40</b>	<b>60</b>	<b>80</b>	<b>100</b>
<b>Thailand</b>	<b>4</b>	<b>4</b>	<b>9</b>	<b>15</b>	<b>25</b>	<b>35</b>	<b>45</b>
<b>Indonesia</b>	<b>3</b>	<b>3</b>	<b>8</b>	<b>16</b>	<b>25</b>	<b>35</b>	<b>45</b>
<b>Philippines</b>	-	-	<b>2</b>	<b>5</b>	<b>9</b>	<b>14</b>	<b>20</b>
<b>United States</b>	-	<b>1</b>	<b>3</b>	<b>6</b>	<b>10</b>	<b>16</b>	<b>25</b>



## 4 Create new sources of earnings: Content business

### Open Collaboration Cafe

- Goods, drink, room sales through Karaoke Stores
- Goods sales through EC site (domestic/overseas)
- Stores exclusive for collaboration
  - NeCoLabo Cafe Ikebukuro Sta. East gate  
(Tokyo, open 3/27)
  - Karaoke Manekineko Kawaramachi Takoyakushi (Kyoto)

Collabo Station  
**NeCoLabo Cafe**  
produced by manekineko



## 4 Create new sources of earnings: Entering F&B business market

CAFÉ ECLA



Cafe

1<sup>st</sup> store's performance steadily growing,  
2<sup>nd</sup> store opened on November 26 and 3<sup>rd</sup> store opened on December 17

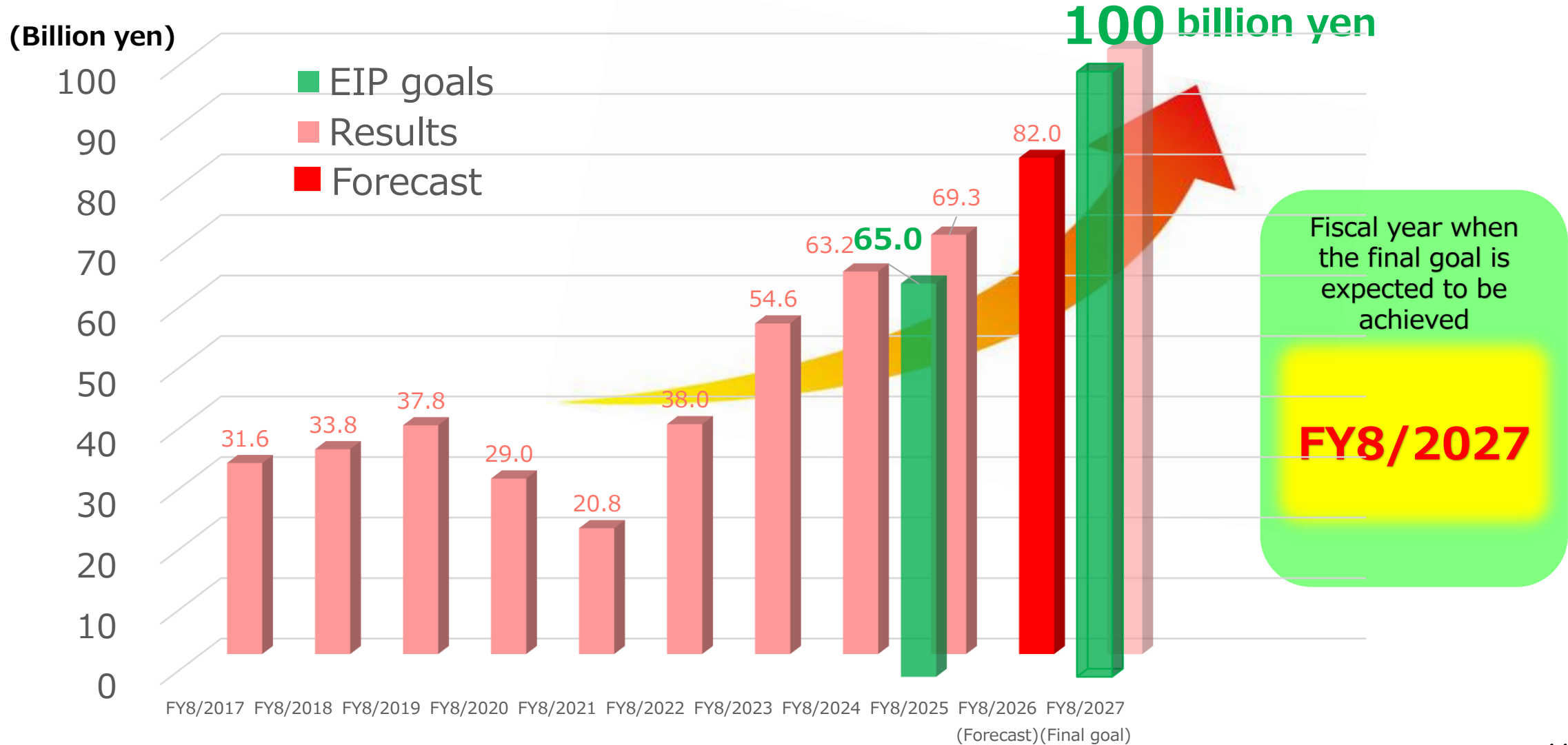
2<sup>nd</sup> Store : Kita-Ageo PAPA  
(Saitama)



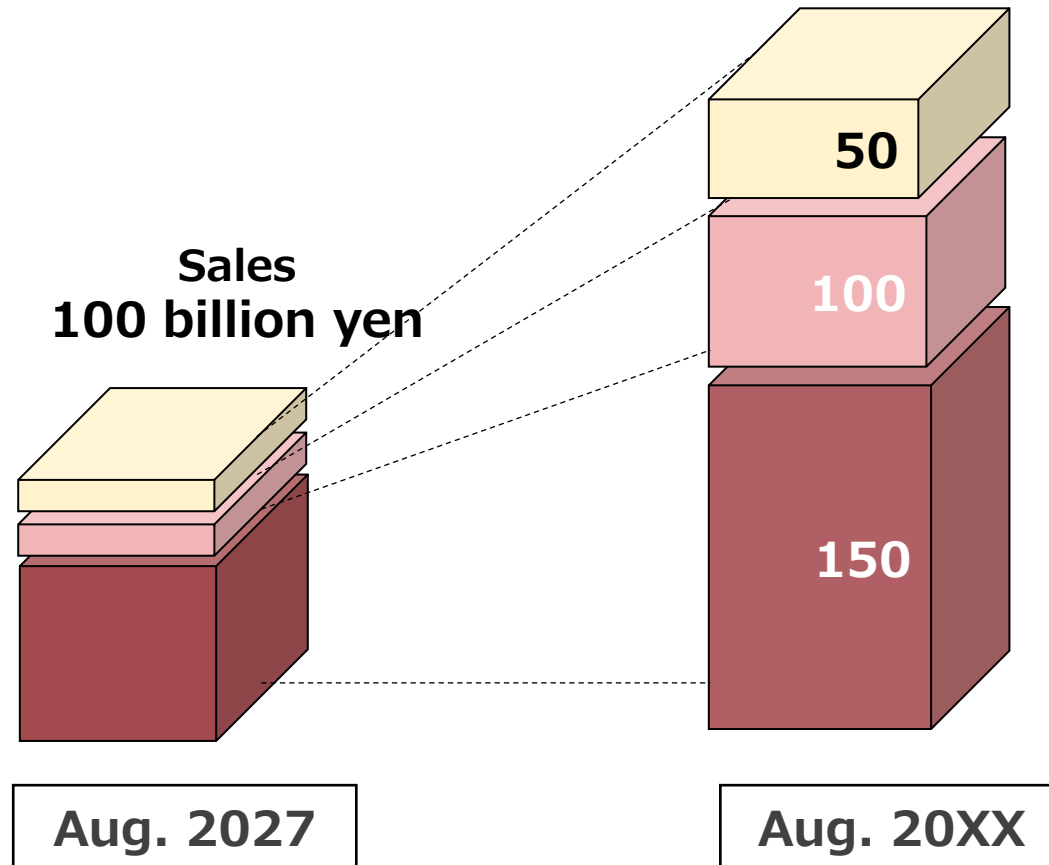
3<sup>rd</sup> Store: Nagaoka Kosho-ji  
(Niigata)



# Outline of After EIP: EIP Final Stage



# Outline of After EIP: Final target is 300 billion yen



PER

Overseas Market

Karaoke in Japan

# The Mission of Koshidaka Holdings

We will establish network of stores everywhere worldwide which provides with various types of entertainment services in order to enable people to enjoy their leisure time in the best possible way



# KOSHIDAKA HOLDINGS Co., LTD.

(TSE Prime Market 2157)

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