

KOSHIDAKA HOLDINGS Co., LTD.

(TSE Prime Market 2157)

Results of Operations

for the Fiscal Year Ended August 2025
(FY8/2025)

October 10, 2025

Agenda

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1. FY8/2025 Financial Summary

Executive Summary

■ **Record high** sales, operating profit and ordinary profit

Karaoke: **Sales up 9.7%** due to continuation of opening many stores and steady growth in the number of customers at existing stores.

Optimized management of operations offset the rising cost of personnel, electricity and other expenses.

Real Estate Management:

Sales and earnings up because of the stable performance of existing properties and contribution from new properties.

Other: Sales increased and bottom line became profitable as all food and beverage stores performed well.

■ **Dividend per share:**

Interim 12 yen, Year-end 12 yen, Annual 24 yen (an increase of 6 yen)

Dividend increased for the fourth consecutive year to a new all-time high, adjusted for stock splits

FY8/2025 Consolidated Results of Operations

■ Sales were below the forecast but sales and earnings increased due to actions to optimize productivity that started in the second half.

Record high sales, operating profit and ordinary profit.

- (1) Continuing to open many new stores, resulting in contributions to sales and earnings from stores opened in the previous and current fiscal years. More customers at new Kinki region stores as awareness of the brand of the chain increases.
- (2) Customers continue to increase at existing stores and the impact of the adjustment in sales per customer in early 2024 has been eased and re-adjustment to rational price has led positive yoy figures in sales per customers in May and afterward.
- (3) Unit price in Personnel and utility expenses increased, but profitability is improving because of measures for optimizing management of business operations in the 3Q and afterward.
- (4) Record high ordinary profit despite a temporary downturn in non-operating income that includes decreases of 405 million yen in cancellation income and 262 million yen in forex gains.
- (5) Profit attributable to owners of parent decreased because of a 3,400 million yen impairment loss for stores and other facilities that were unprofitable for the past two fiscal years, including stores opened during FY8/2024.

(Million yen)

Item	FY8/2024	FY8/2025	YoY change		Vs. forecast	
			Amount	Ratio	Forecast	Achievement ratio
Net sales	63,263	69,387	+6,123	+9.7%	71,057	97.6%
Gross profit	16,753	18,373	+1,619	+9.7%	-	-
SG&A expenses	6,589	6,980	+391	+5.9%	-	-
Operating profit	10,164	11,392	+1,229	+12.1%	11,578	98.4%
(Operating profit to net sales)	16.1%	16.4%				
Ordinary profit	10,934	11,598	+664	+6.1%	11,536	100.5%
(Ordinary profit to net sales)	17.3%	16.7%				
Profit attributable to owners of parent	6,735	5,258	-1,476	-21.9%	7,499	70.1%
(Profit to net sales)	10.6%	7.6%				
Net income per share (Yen)	82.70	64.01	-18.69	-22.6%	91.97	69.6%

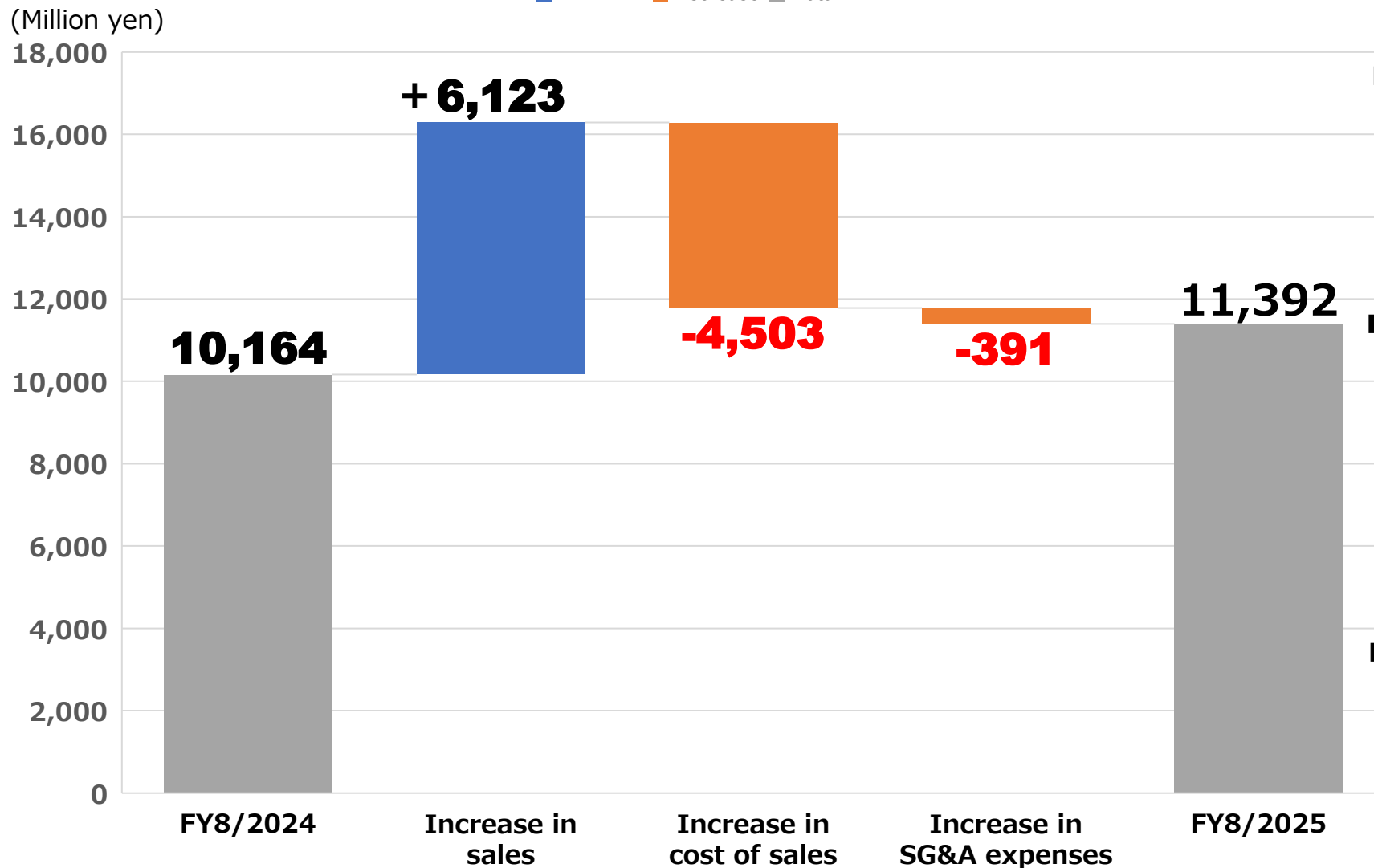
Consolidated Results of Operations by Segment (YoY Change)

- Karaoke: **Sales up 9.7%** due to continuation of opening many stores and growth in the number of customers at existing stores. Average hourly wages, cost of electricity and other expenses increased, but this was offset by rigorous measures for optimizing management of business operations that began in the second half.
 - Real Estate Management: Sales and earnings up because of the strong performance of existing properties and contribution from new properties.
 - Other: Sales increased and the bottom line became profitable as all food and beverage stores performed well.
- (Million yen)

Item	FY8/2024	FY8/2025	YoY change		Vs. forecast	
			Amount	Ratio	Forecast	Achievement ratio
Net sales	63,263	69,387	+6,123	+9.7%	71,057	97.6%
Karaoke	61,246	67,162	+5,916	+9.7%	68,747	97.7%
Real Estate Management	1,585	1,857	+272	+17.1%	1,900	97.7%
Other	863	879	+16	+1.9%	909	96.8%
Adjustment	(431)	(511)	-80	-	(498)	-
Operating profit	10,164	11,392	+1,228	+12.1%	11,578	98.4%
Karaoke	11,493	12,405	+913	+7.9%	12,778	97.1%
(Operating profit to net sales)	(18.8%)	(18.5%)			(18.6%)	
Real Estate Management	109	222	+113	+102.8%	266	83.5%
(Operating profit to net sales)	(6.9%)	(12.0%)			(14.0%)	
Other	(37)	37	+75	-	31	121.5%
(Operating profit to net sales)	-	(4.3%)			(3.4%)	
Adjustment	(1,401)	(1,272)	+129	-	(1,496)	-

YoY Change in Operating Profit

■ Increase ■ Decrease ■ Total



(Million yen)

■ Major increase in sales

- ✓ New stores: +4,582
- ✓ Existing stores: +1,334
- ✓ Real Estate/Other: +288
- ✓ Adjustment: -80

■ Major increase in cost of sales

- ✓ Personnel: +1,139 (+7.5%)
- ✓ Rents: +1,219 (+11.6%)
- ✓ Utilities: +428 (+13.4%)
- ✓ Fees and commissions: +349 (+23.2%)
- ✓ Cost of merchandise: +255 (+5.1%)
- ✓ Depreciation: +193 (+4.6%)

■ Major increase in SG&A expenses

- ✓ Advertising expenses: -178 (-18.3%)
- ✓ Personnel: +153 (+8.7%)
- ✓ Fee expenses: +66 (+52.7%)
- ✓ Fees and commissions: +108 (+18.4%)

Karaoke Business

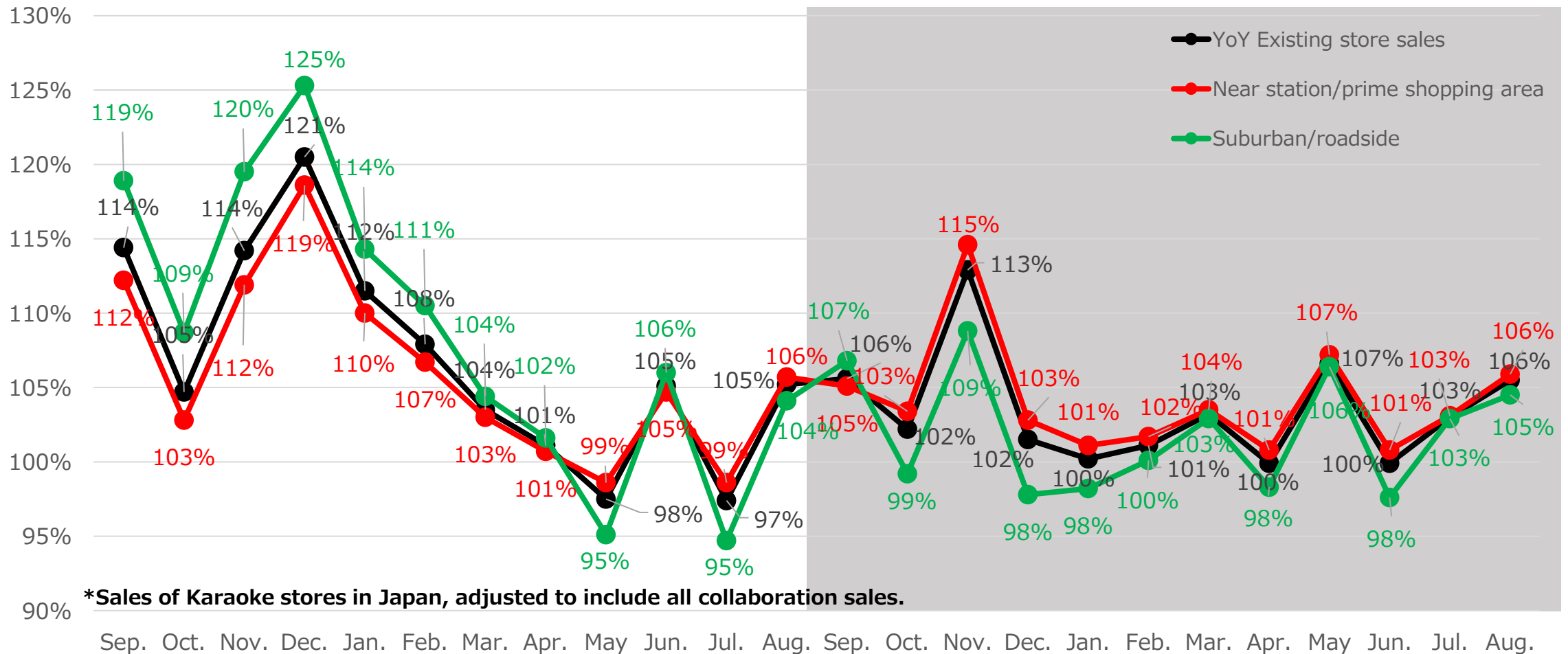
- Sales up 9.7% because of more customers at existing stores and the continuing addition of new stores
- Determined the most suitable prices for individual stores based on competition resulting in increase the number of customers
- The decline in sales per customer ended in May and increased every month afterward. Profitability is improving in the second half because of rigorous measures for optimization of electricity use and labor efficiency.

(Million yen)

	FY8/2021 Previous classification		FY8/2022 Previous classification		FY8/2023		FY8/2024		FY8/2025	
	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.
Net sales	19,195	-	36,178	-	51,916	-	61,246	-	67,162	-
Cost of sales	23,383	121.8%	30,178	83.4%	38,848	74.8%	44,634	72.9%	49,132	73.2%
Gross profit	(4,188)	-	6,000	16.6%	13,068	25.2%	16,611	27.1%	18,031	26.8%
SG&A expenses	2,402	12.5%	2,987	8.3%	4,011	7.7%	5,118	8.4%	5,625	8.4%
Operating profit	(6,591)	-	3,012	8.3%	9,056	17.4%	11,493	18.8%	12,405	18.5%

Existing Store Sales on the Same Month in the Year Before

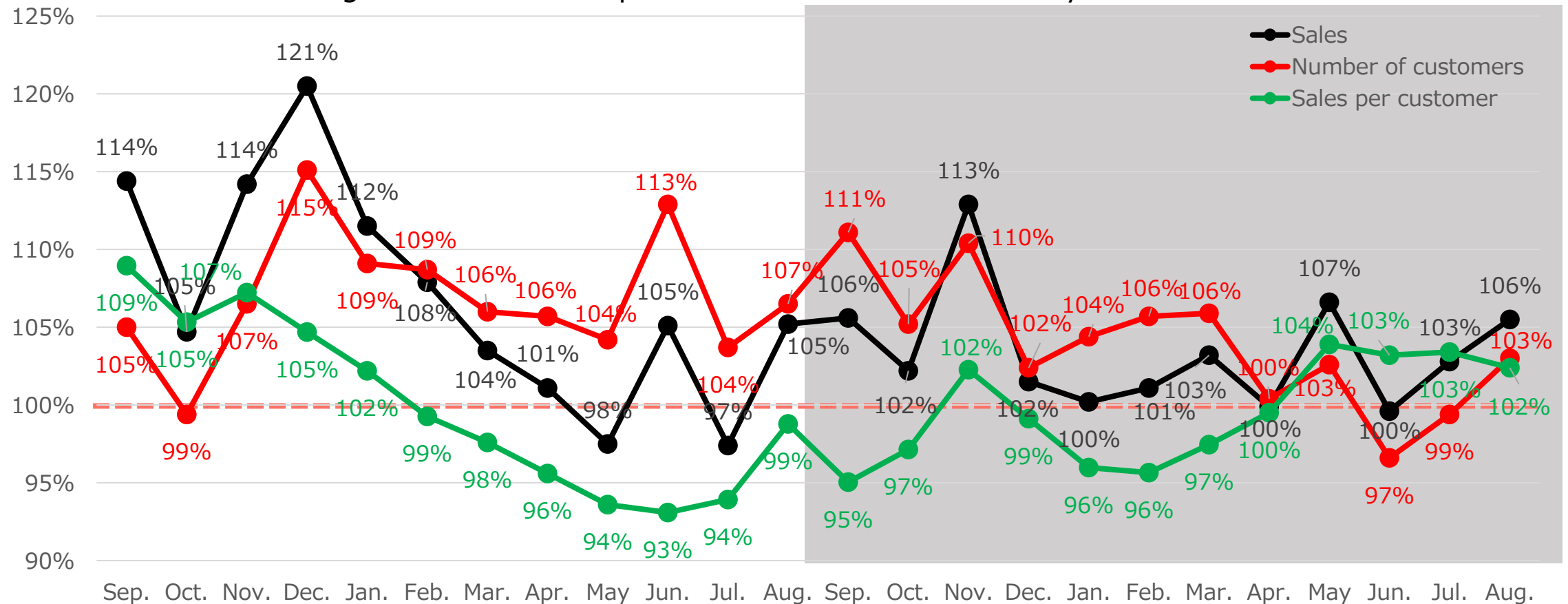
- FY8/2025 existing store sales were 3.3% higher yoy (on a monthly basis). Sales returned to the pre-pandemic level in FY8/2024 and have been increasing consistently since then.
- In FY8/2024, roadside stores in regions other than major metro areas benefited from post-pandemic revenge demand later than prime shopping area stores did. Now a structural slowdown in sales at roadside stores is emerging. Roadside store sales are below sales at stores in near station/prime shopping areas.



Existing Store Sales/Number of Customers/Sales Per Customer

- Existing store sales increased 3.3%, number of customers increased 3.7%, and sales per customer decreased 0.4% compared with FY8/2024.
- Price adjustment following the peak in 2023-24 year-end and New Year period has mostly ended. Year-on-year growth every month started in May 2025.

Existing store results compared with same month in the year before

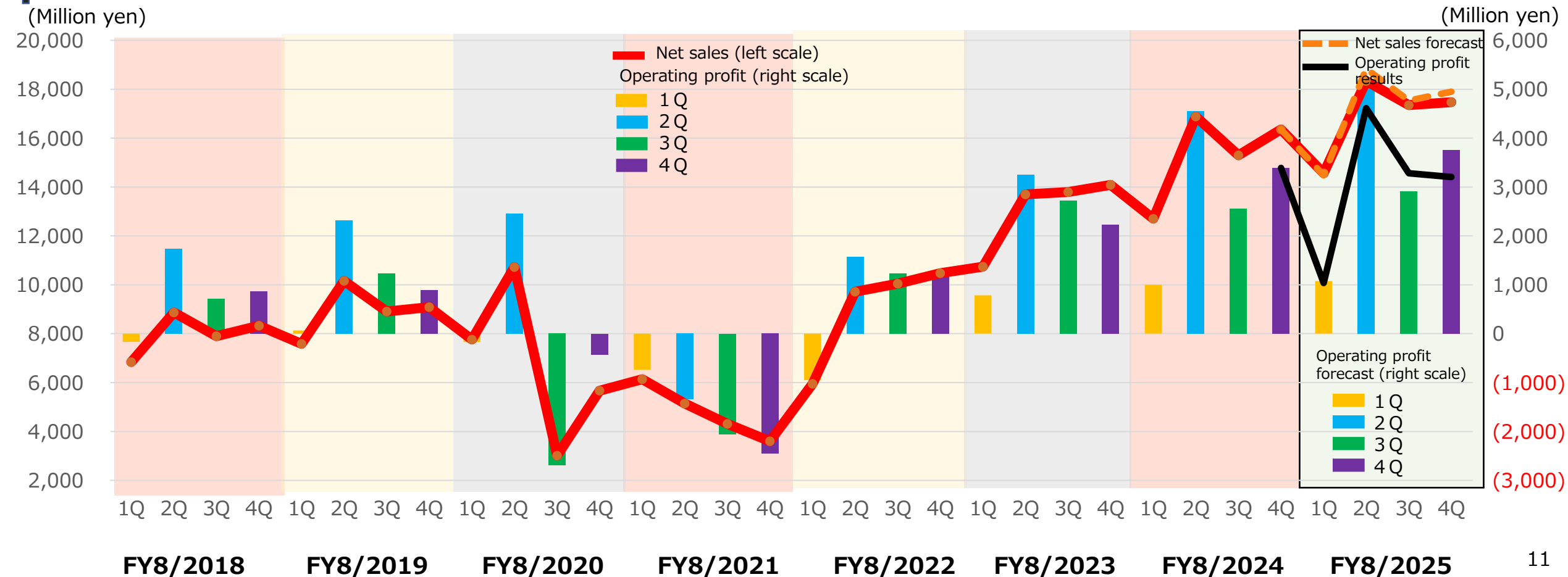


*Sales of Karaoke stores in Japan, adjusted to include all collaboration sales

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 third consecutive year from 1Q FY8/2023 and earnings were higher than the year before in 1Q FY8/2024 and 1Q FY8/2025.

Karaoke Segment Quarterly Net Sales and Operating Profit



Number of Stores and Rooms

- Maintained about 50 new store openings again even though some openings will be postponed to 4Q because of factors involving the properties that affected the timing of store openings.
- Continued to increase store size and open new stores in prime shopping areas near railway stations. Aiming for improving efficiency of store operations.
- All closed stores are for relocations: Larger scale at better location improve efficiency, in one case relocate from road side locations to areas near railway stations.

Number of Stores/Rooms		FY8/2024		FY8/2025		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	380	10,685	409	11,660	+29	+975
	Suburban/roadside locations	278	6,761	288	7,185	+10	+424
	Total	658	17,446	697	18,845	+39	+1,399
One Kara		6	207	6	207	0	0
Total		664	17,653	703	19,052	+39	+1,399

Number of Stores opened/closed		FY8/2024	1Q FY8/2025	2Q FY8/2025	3Q FY8/2025	4Q FY8/2025	FY8/2025
No. of stores opened	Near railway stations/ prime shopping areas	45	10	6	5	12	33
	Suburban/roadside locations	6	6	1	3	7	17
	Total	51	16	7	8	19	50
No. of stores closed		7	3	2	2	4	11

Overseas Performance

- Continued rapid store openings in Southeast Asia:
Opened 2 stores in Malaysia and 1 in Thailand. Additionally opened two stores in Malaysia in September 2025.
- 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

(Million yen)

	FY8/2023			FY8/2024			FY8/2025		
	Full year			Full year			Full year		
	Net sales	Operating profit	No. of locations	Net sales	Operating profit	No. of locations	Net sales	Operating profit	No. of locations
Overseas	779	(2)	17	1,225	107	22	1,451	63	25
South Korea	99	(14)	4	123	(11)	4	94	(30)	4
Malaysia	452	17	10	710	67	13	926	108	15
Thailand	185	11	2	304	54	3	312	(10)	4
Indonesia	43	(16)	1	88	(3)	2	119	(5)	2

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

Metro Point Kajang, Malaysia



Pearl Point Shopping Mall, Malaysia



Future Park Ransigt, Thailand



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

(Million yen)

	FY8/2021		FY8/2022		FY8/2023		FY8/2024		FY8/2025	
	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.
Net sales	698	-	922	-	1,488	-	1,585	-	1,857	-
Cost of sales	863	123.6%	737	79.9%	1,296	87.1%	1,447	91.3%	1,594	85.8%
Gross profit	(165)	-	185	20.1%	192	12.9%	137	8.7%	263	14.2%
SG&A expenses	16	2.3%	19	2.1%	42	2.8%	27	1.8%	41	2.2%
Operating profit	(181)	-	165	17.9%	149	10.1%	109	6.9%	222	12.0%

Other Businesses

- Sales and earnings at food and beverage stores such as “Gindaco Highball” and “CAFÉ ECLA” were increasing.
- Became profitable following the end of one-time expenses for a new Welltainment store, bath house closing, etc.

(Million yen)

	FY8/2021 Previous classification		FY8/2022 Previous classification		FY8/2023		FY8/2024		FY8/2025	
	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.	Result	Comp.
Net sales	897	-	894	-	1,459	-	863	-	879	-
Cost of sales	1,061	118.3%	939	105.0%	1,410	96.7%	859	99.5%	800	91.0%
Gross profit	(164)	-	(45)	-	48	3.3%	4	0.5%	79	9.0%
SG&A expenses	38	4.2%	27	3.0%	46	3.2%	41	4.8%	42	4.7%
Operating profit	(203)	-	(73)	-	2	0.2%	(37)	-	37	4.3%

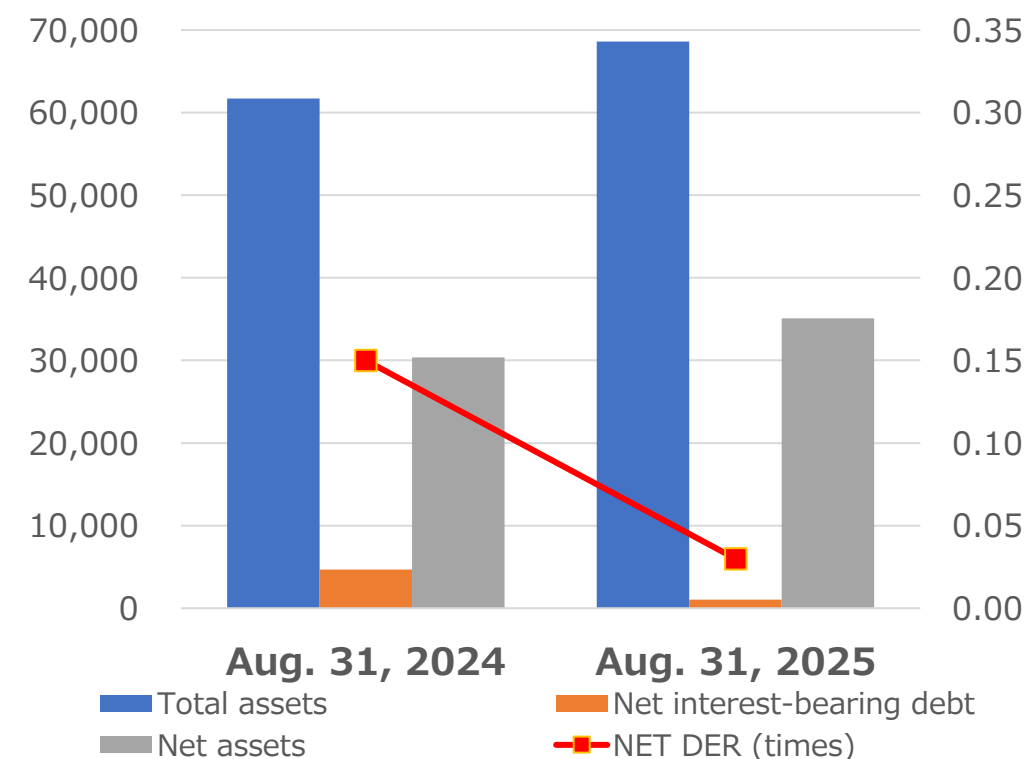
Balance Sheet and Cash Flows

Balance Sheet

(Million yen)

	August 31, 2024	August 31, 2025	Change
Current assets	11,903	15,791	+3,888
Non-current assets	49,811	52,797	+2,985
Total assets	61,714	68,588	+6,874
Current liabilities	13,975	14,923	+948
Non-current liabilities	17,384	18,559	+1,175
Net assets	30,354	35,105	+4,751
Net interest-bearing debt	4,664	1,038	-3,627
Equity ratio	49.2%	51.2%	Up 2.0%pt
Net DER (times)	0.15	0.03	Improvement 0.12
ROE	24.2%	16.1%	Down 8.1%pt

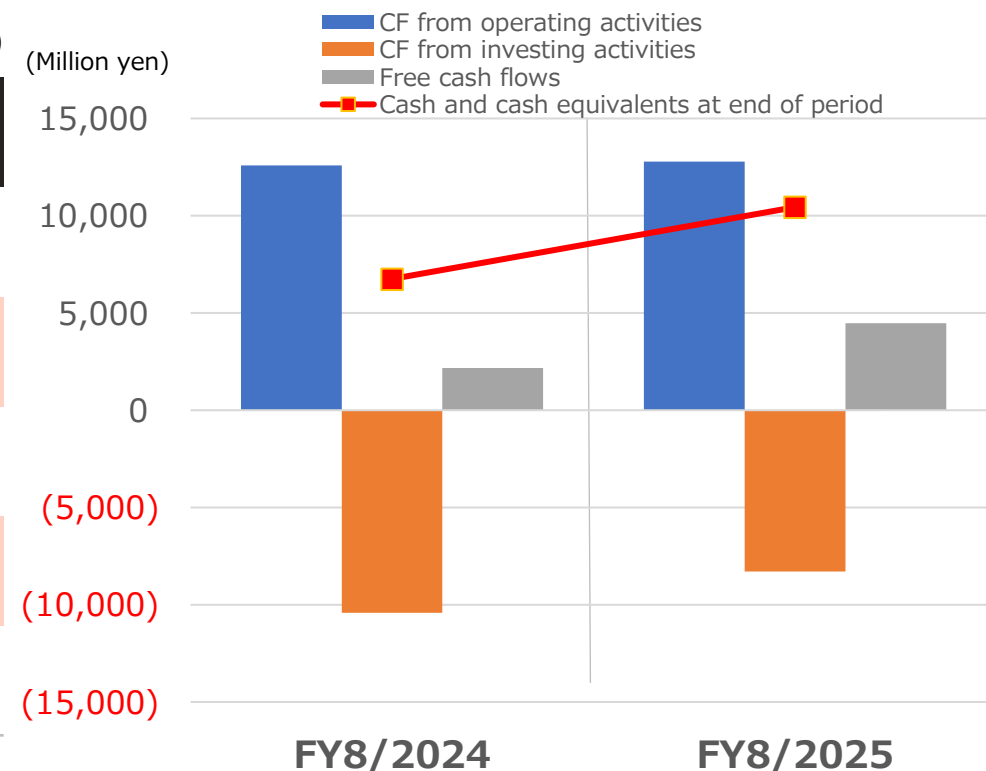
(Million yen)



Total assets, mainly non-current assets, increased as the number of newly opened stores remained high. Net assets increased due to net earnings and the exercise of share acquisition rights; net interest-bearing debt decreased due to a decline in convertible bonds. Debt-equity ratio decreased because of an increase in net assets and a decrease in interest-bearing debt. The ROE was down by 8.1 points because of an increase in net assets and a decrease in net earnings.

Cash Flows

	FY8/2024	FY8/2025	Change
Cash flows from operating activities	12,581	12,774	+193
Cash flows from investing activities	(10,413)	(8,292)	+2,121
(Free cash flows)	+2,167	+4,482	+2,314
Cash flows from financing activities	(3,123)	(791)	+2,332
Cash and cash equivalents at end of period	6,750	10,439	+3,689



No change in using operating cash flows for the addition of many new stores. Free cash flows more than doubled and cash used in financing activities decreased, making ending cash increased. The increase was almost equal to the planned cash payment for the split-type absorption of a subsidiary.

2. FY8/2026 Consolidated Forecast

FY8/2026 Forecast

Consolidated Forecast

(Million yen)

Items	FY8/2025 Result	FY8/2026 Forecast	Vs. FY8/2025	
			Change	Ratio
Net sales	69,387	82,544	+13,157	+19.0%
Operating profit	11,392	12,966	+1,573	+13.8%
(Operating profit to net sales)	(16.4%)	(15.7%)		
Ordinary profit	11,598	12,911	+1,313	+11.3%
(Ordinary profit to net sales)	(16.7%)	(15.6%)		
Profit attributable to owners of parent	5,258	7,500 to 9,493	+2,241 to +4,234	+42.6% to +80.5%
(Profit to net sales)	(7.6%)	(9.1%) to (11.5%)		
Net income per share (Yen)	64.01	90.99 to 115.18	+26.98 to +51.16	+42.1% to +79.9%

■ Karaoke Business

- Forecast a 1% increase YoY at 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 stores acquired from 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, and second half benefits from higher productivity due to the new POS system. However, the stores acquired from Standard will lower sales profit ratio.
- Forecast sales of 1,000 million yen and operating profit of 100 million yen at Koshidaka Malaysia, newly consolidated in FY8/2026.
- Anticipated about 900 million yen in gain on sale of non-current assets as extraordinary income in the first quarter.
- The lower limit forecast anticipates an extraordinary loss equivalent to impairment loss in- the 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
Net sales	69,387	82,544	+13,157
Karaoke	67,162	80,781	+13,618
Real Estate Management	1,857	1,783	-74
Other	879	487	-393
Adjustment	(511)	(487)	25
Operating profit	11,392	12,966	+1,573
(Operating profit to net sales)	(16.4%)	(15.7%)	
Karaoke	12,405	14,194	+1,788
(Operating profit to net sales)	(18.5%)	(17.6%)	
Real Estate Management	222	192	-30
(Operating profit to net sales)	(12.0%)	(10.8%)	
Other	37	(1)	-39
(Operating profit to net sales)	(4.3%)	(-)	
Adjustment	(1,272)	(1,419)	-147

■ Real Estate Management

- Hotel Vista Atsugi is scheduled for sale as of October 24. Corresponding revenue will decrease thereafter. The related gain on sale is as stated on the previous page.

■ Other Business

- Closure of the Koriyama Maneki-no-Yu bath house will lower sales by 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.

About 70 Karaoke JOYSOUND Join the KOSHIDAKA Group

- KOSHIDAKA subsidiary KOSHIDAKA SP, using a absorption type split (planned for Nov. 1), will acquire about 70 stores, including JOYSOUND karaoke stores, operated by Standard Corp., which is 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.
- 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.

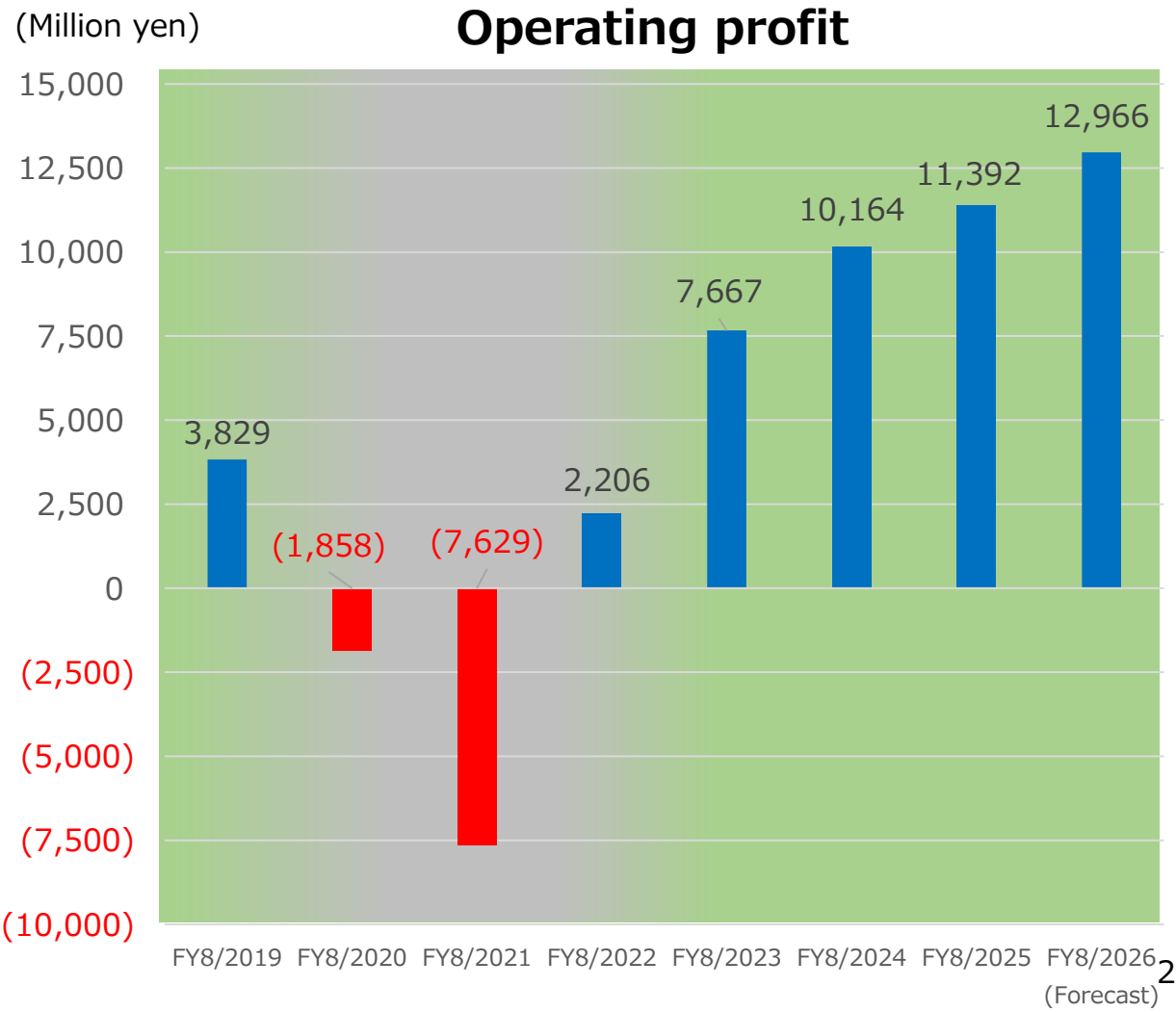
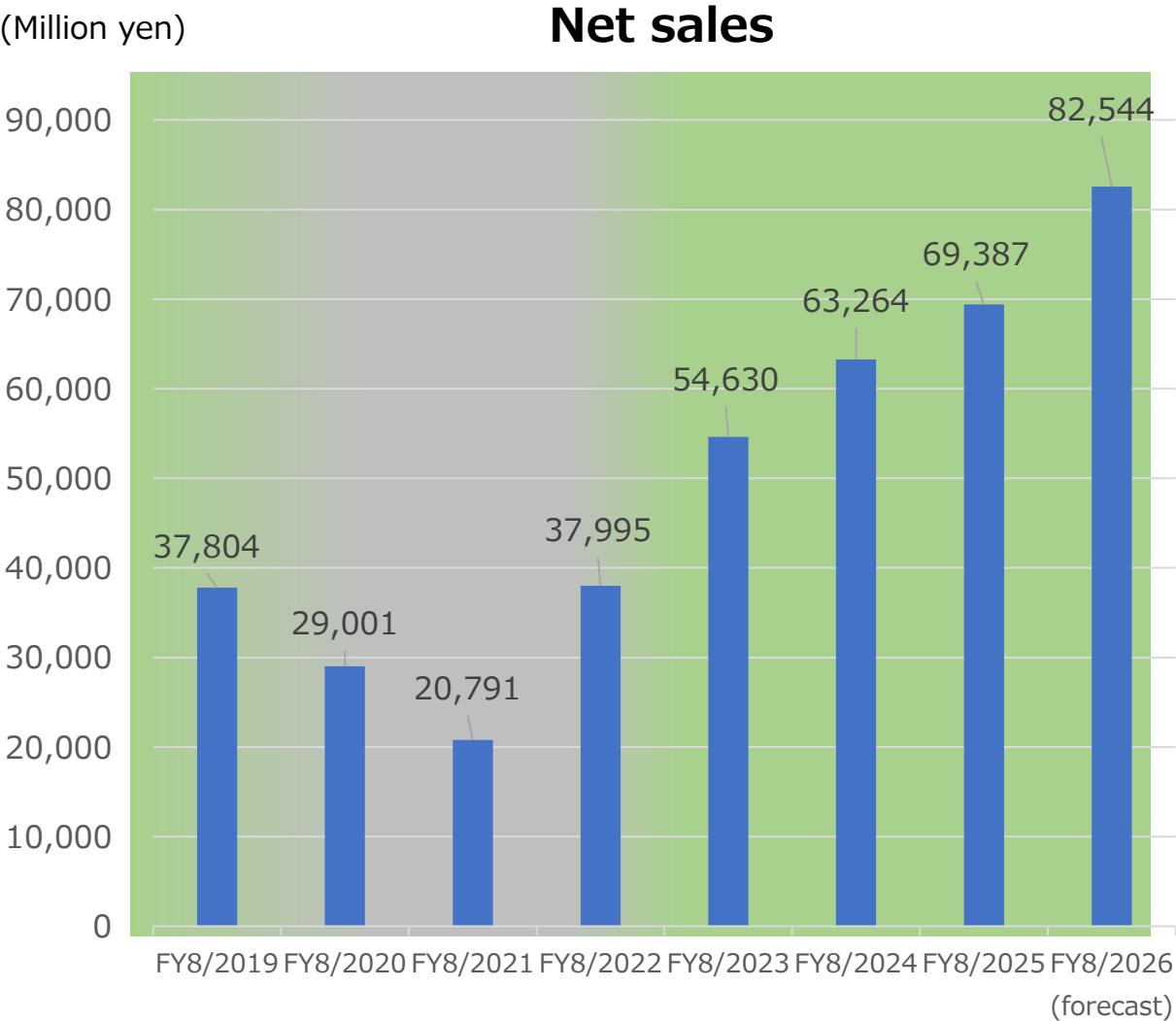
	FY3/2025 Standard Corp.
Net sales	8,693
Operating profit	42
Ordinary profit	(51)
Profit	(22)

	FY3/2025 Standard Corp.	Transferred amount
Current assets	-	991
Non-current assets	-	2,050
Total assets	3,172	3,042
Current liabilities	-	1,260
Non-current liabilities	-	2,031
Total liabilities	-	3,291
Net assets	(8,612)	-

(Million yen)

(*Reference) **Changes in Net Sales and Operating Profit**

- Even after V-shaped recovery from the pandemic period, sales and operating profit has been and expected to be growing
- All-time high sales, operating profit and ordinary profit in FY8/2025. More growth expected in FY8/2026. Positioned to reach the final EIP goal in FY8/2027.



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^{*1} 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)
Interim	8.0	2.0	4.0	5.0	7.0	12.0	13.0
Year-end	4.0	2.0	4.0	7.0	11.0	12.0	13.0
Annual	12.0	4.0	8.0	12.0	18.0	24.0	26.0
Payout ratio	-	-	17.9%	13.8%	21.8%	37.5%	22.6% to 28.6%

*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
At least 100	Under three years	2 coupons (2,000 yen)
	Three years or more	4 coupons (4,000 yen)
At least 400	Under three years	5 coupons (5,000 yen)
	Three years or more	10 coupons (10,000 yen)
1,000 or more	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 and other stores operated by the Group (excluding Maneki-no-Yu bath houses, Gindako-High Ball Sakaba, Café Ecla).

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

KOSHIDAKA HOLDINGS Co., LTD.

(TSE Prime Market 2157)

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