



Results of Operations

for the First Half of Fiscal Year Ended August 2021 (1H FY8/2021)

April 16, 2021

KOSHIDAKA HOLDINGS Co., Ltd. (TSE 2157)

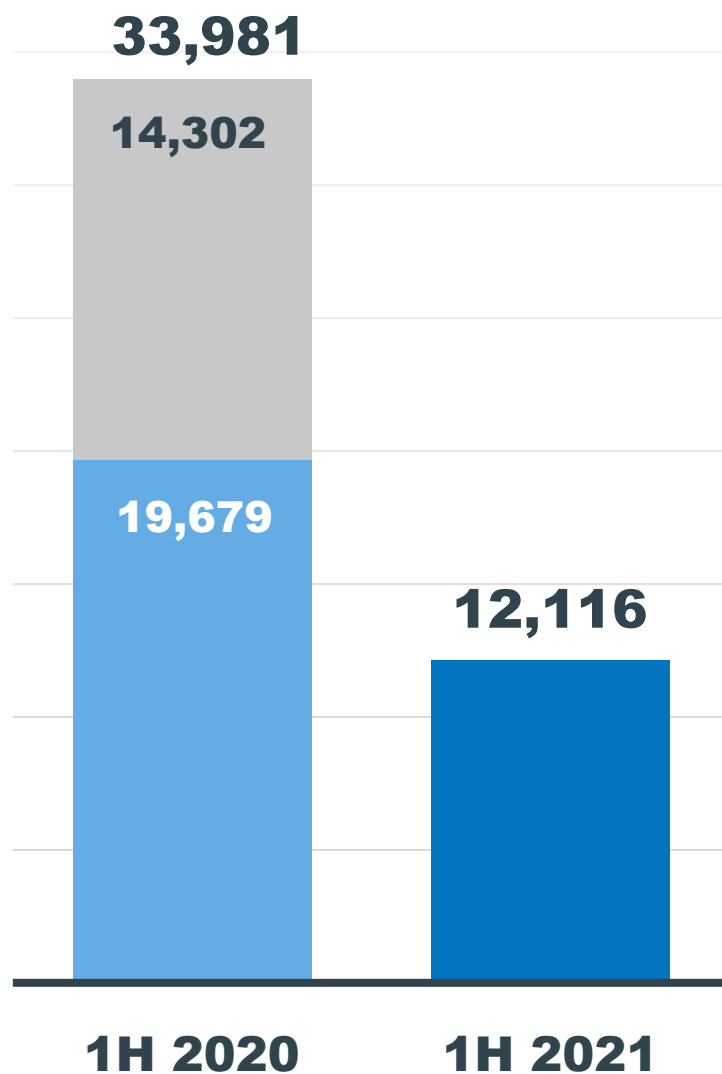
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1H FY8/2021 Highlights

- 1** The **first operating loss** since the IPO
- 2** Severe impact of **COVID-19** continues
- 3** **Faster pace of renovations to create private entertainment rooms**
- 4** **More standardization and efficiency of current business activities**

Financial Highlights (Net Sales)



**1H FY8/2021
Net Sales**

12.1 bn yen

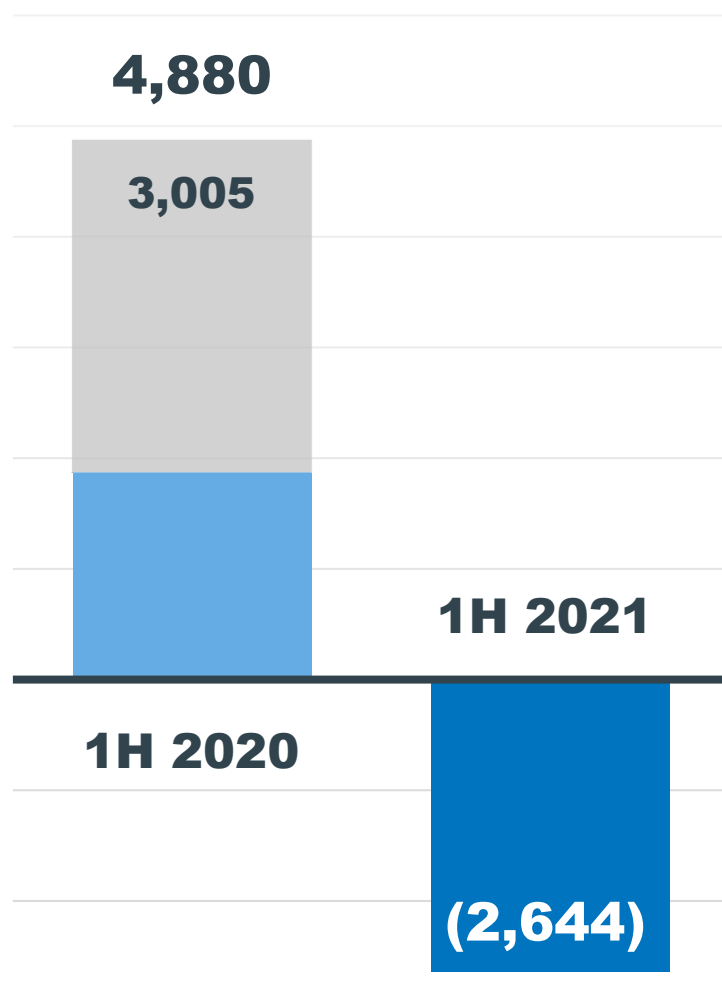
**Down 21.8 bn yen,
64.3% YoY**

■ Sales in the Curves segment include period from August 2019 to February 2020

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.

Financial Highlights (Operating Profit)



1H FY8/2021
Operating Profit (Loss)

[-2.6] bn yen

Down 7.5 bn yen

■ **Curves segment profit include period from August 2019 to February 2020**

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.

1H FY8/2021 Consolidated Results of Operations

Impact of COVID-19 on business operations

FY8/2020						FY8/2021						
Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar



Japan

1st Wave

2nd Wave

3rd Wave

▶ Closed all locations on weekends in Tokyo and three neighboring prefectures

▶ State of Emergency (almost all locations temporarily closed)
Reopening locations as regional restrictions are lifted

▶ Reduced operating hours of some locations

State of emergency (11 prefectures)
Shortened operating hours



Singapore

Suspended operations at all locations due to government restrictions (closed 4 locations)

Indonesia: Operations suspended

Malaysia and Thailand: Operations suspended due to government restrictions



Korea

Operations suspended due to government restrictions (closed 1 location)

Consolidated Statement of Income

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.

	1H FY8/2020	1H FY8/2021	YoY change		Vs. forecast	
			Ratio	Amount	Forecast	Achievement rate
Net sales	33,981	12,116	(64.3%)	(21,865)	13,464	90.0%
Cost of sales	23,668	13,117	(44.6%)	(10,550)		
Gross profit	10,313	(1,001)	-	(11,314)		
SG&A expenses	5,432	1,642	(69.8%)	(3,790)		
Operating profit	4,880	(2,644)	-	(7,524)	(2,054)	-
Ordinary profit	5,231	(2,429)	-	(7,661)	(1,904)	-
Extraordinary income	21	131	+513.9%	+109		
Extraordinary loss	128	107	(16.2%)	(20)		
Profit attributable to owners of parent	3,425	(1,680)	-	(5,106)	(1,101)	-

Results by Segment

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.

	1H	1H	YoY change		Vs. forecast	
	FY8/2020	FY8/2021	Ratio	Amount	Forecast	Achievement rate
Net sales	33,981	12,116	(64.3%)	(21,865)	13,464	90.0%
Karaoke	18,482	11,274	(39.0%)	(7,207)		
Curves fitness	14,302	-	-	-		
Bath house	812	536	(34.0%)	(276)		
Real estate mgt	384	305	(20.5%)	(78)		
Operating profit	4,880	(2,644)	-	(7,524)	(2,054)	-
Karaoke	2,279	(2,082)	-	(4,361)		
Curves fitness	3,005	-	-	-		
Bath house	58	(58)	-	(117)		
Real estate mgt	8	(162)	-	(170)		
Adjustment	(472)	(341)				

Consolidated Balance Sheet

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.

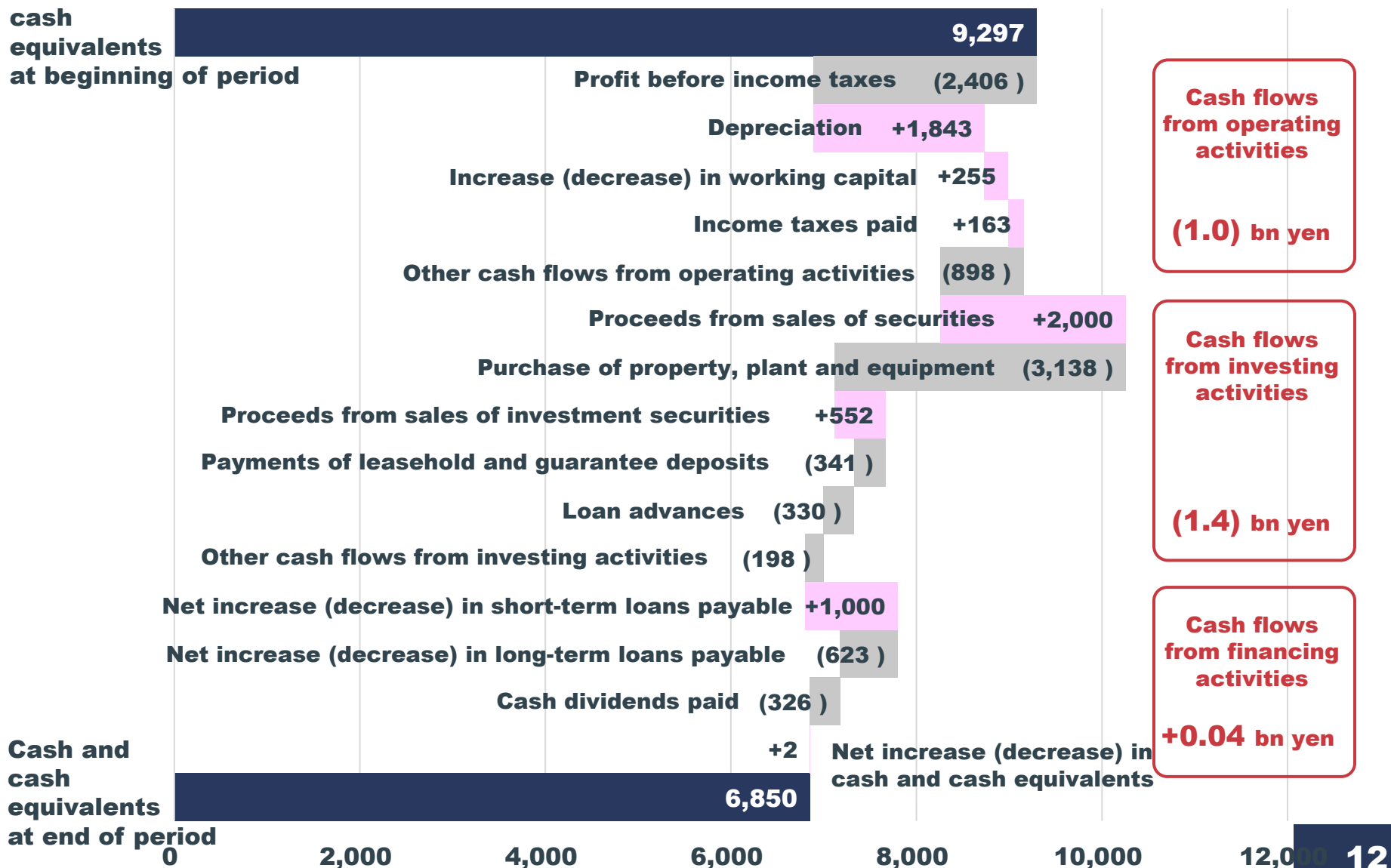
	August 31 2020	February 28 2021	Change
Current assets	13,753	9,207	(4,545)
Non-current assets	30,802	33,626	+2,823
Property, plant and equipment	22,567	24,402	+1,834
Intangible assets	351	551	+200
Investments and doubtful accounts	7,883	8,673	+789
Current liabilities	10,468	11,030	+562
Short-term loans payable	4,500	5,500	+1,000
Non-current liabilities	11,175	10,969	(205)
Long-term loans payable	6,910	6,640	(269)
Total liabilities	21,644	22,000	+356
Shareholders' equity	22,741	20,734	(2,007)
Total net assets	22,911	20,833	(2,077)
Total assets / Total liabilities and net assets	44,555	42,834	(1,721)

Consolidated Statement of Cash Flows

(Millions of yen)

Cash and cash equivalents

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.



1H FY8/2021 Results by Segment



Karaoke



Net Sales (Karaoke)



1H FY8/2021 Net Sales

11.2 bn yen

Down 39.0% YoY (7.2 bn)



Opened 17 locations in Japan (Closed 7 locations)
Started distribution of live entertainment
Karaage no Tensai and other new businesses



Reduced or suspended store operations in Japan and other countries
Customers decreased due to the COVID-19 crisis

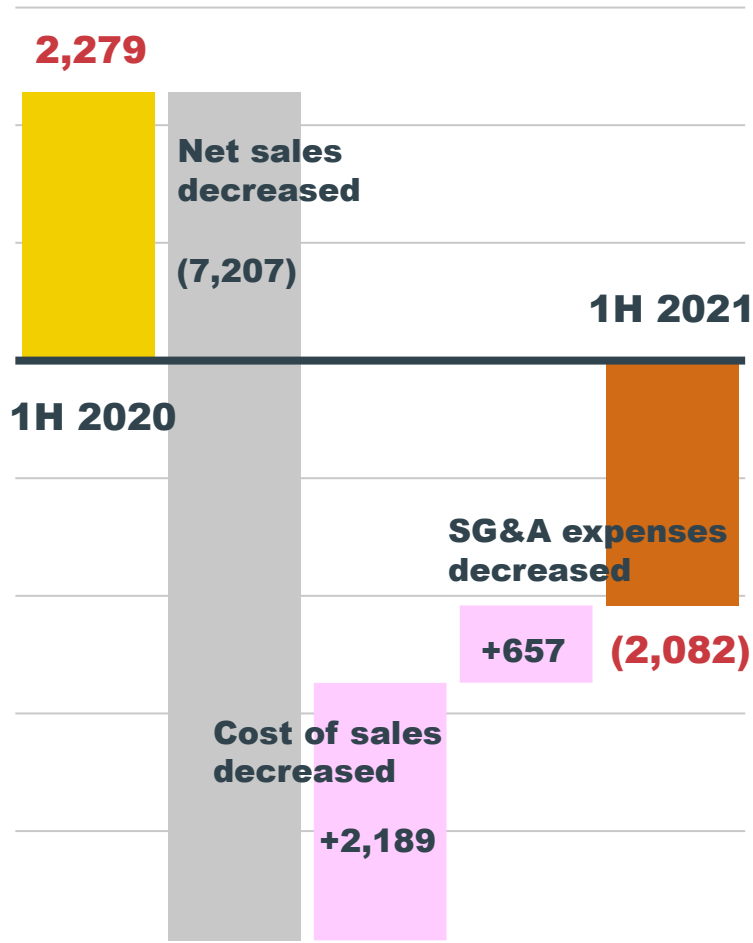
1H 2020
(Millions of yen)

1H 2021

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.



Segment Profit (Karaoke)



1H FY8/2021 Segment Profit (Loss)

[2.0] bn yen



Major decrease in cost of sales

Cost of merchandise	(674)
Employees' salaries	(875)
Utilities	(180)

Major decrease in SG&A expenses

Advertising expenses	(179)
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Gross profit margin

From 22.7% to (7.2%)

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.



Overseas Performance (by Region)

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.

	FY8/2020		FY8/2021
	1H	Full Year	1H
Net sales	886	1,166	50
Singapore	706	932	-
Korea	180	233	50
Operating profit	24	(186)	(201)
Singapore	41	(140)	(186)
Korea	(17)	(45)	(14)
Number of facilities	22	21	18
Singapore	9	8	5
Korea	6	5	5
Malaysia	6	6	6
Thailand	1	1	1
Indonesia	-	1	1

Note: Subsidiaries in Malaysia, Thailand and Indonesia are not consolidated.



Planning on a Record-high Number of New Locations

FY8/2021 60-70 new locations

	2020	FY8/2021					
	Aug	Sep-Nov	Dec	Jan	Feb	Mar	after Apr
Manekineko stores opened		+10	+7	-	-	+5	
Manekineko stores closed		(3)	(2)	(2)	-	(2)	
No. of Manekineko stores	506	513	518	516	516	519	568 or more
No. of One Kara stores	6	6	6	6	6	6	0
No. of DAISYO stores acquired							43
Total No. of karaoke locations in Japan	512	519	524	522	522	525	568 or more
No. of other business formats in Japan	13	13	14	14	14	14	
No. of locations in Karaoke segment	525	532	538	536	536	539	582 or more



Faster Growth in Locations Near Railway Stations and in Prime Shopping Areas

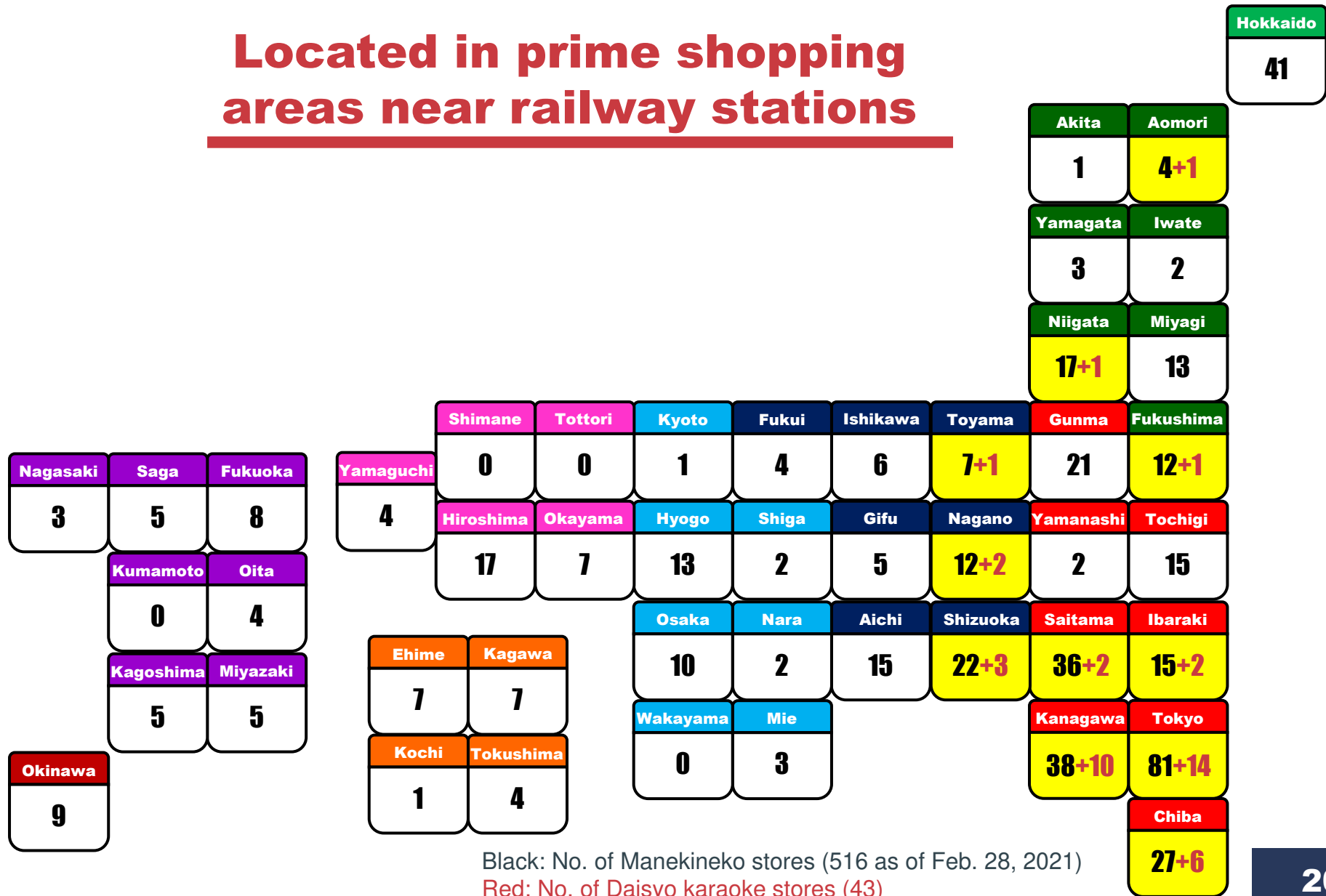
**New locations in prime shopping areas
near railway stations / Total new locations**

FY8/2019	FY8/2020	1H FY8/2021
16 /33	27 /31	15 /17



Acquired the 43 Karaoke Stores of Daisyo Corporation

Located in prime shopping areas near railway stations





Viewing of Live Entertainment

Distribution of original Koshidaka content

ライブビューイング!

2021.3/14(日)【東京】※配信も出演者にご予約の願います。
「伊谷亜子NECO-LIVE in渋谷@\"Get Back\"MVクラウドファンディング中!」
場所:カラオケまねぎねこ渋谷本店ライブルーム

We'll be expecting you!! まるごと!

開場13:45/開演14:00
※全国カラオケまねぎねこ
ライブビューイングルーム利用
13:30~16:00

ゲスト: すずもあゆみ
▶会場チケット2500円(+ドリンクバー500円)
▶ライブビューイング
2000円(ドリンクバー代込み)

Live entertainment room at
the Shibuya flagship store
(Concert/event tickets)



Karaoke Manekineko stores
nationwide (viewing of live
entertainment)



Mira Pon!

Enjoy videos and games on a big karaoke screen



Easy to connect a smartphone to Mira Pon! unit



- **One-touch connection**
- **No installation**
- **No password**

Enjoy videos and games from a smartphone

Mira Pon! is also ideal for remote work



“Utatte Mita Videos” can be submitted to an SNS easily

KARASTA  ×  **ONEREC**



Alliance with mixi

**Integration of real and online
karaoke**

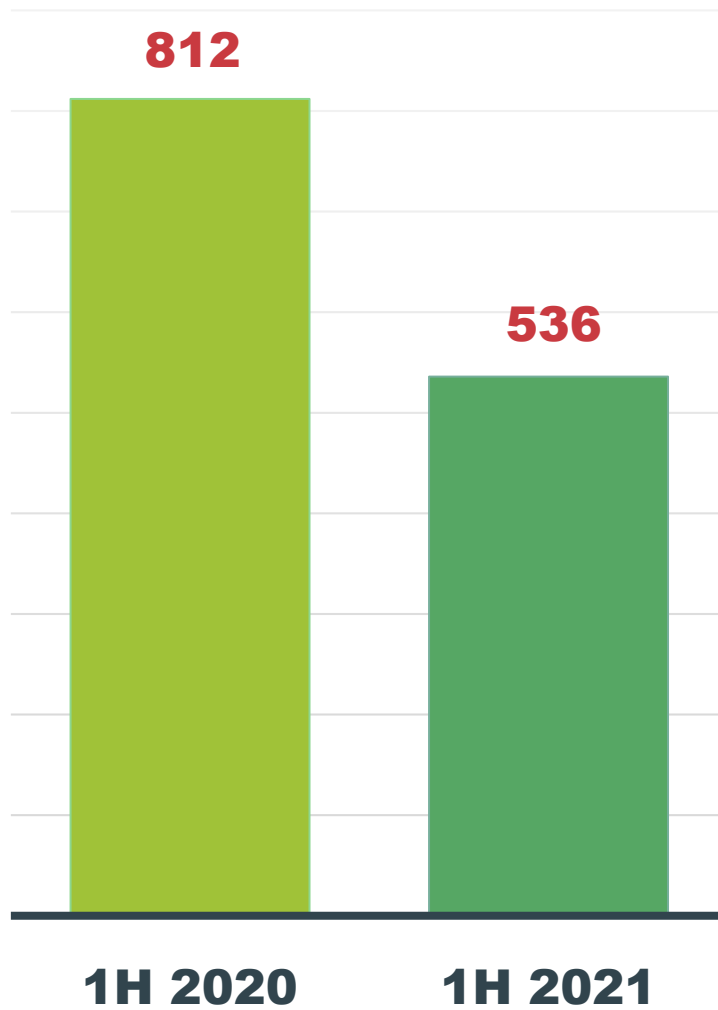
**SNS link with no need to take
anything to a store**

**Trial operation first, then
nationwide coverage**





Net Sales (Bath House)



**1H FY8/2021
Net Sales**

5.3 bn yen

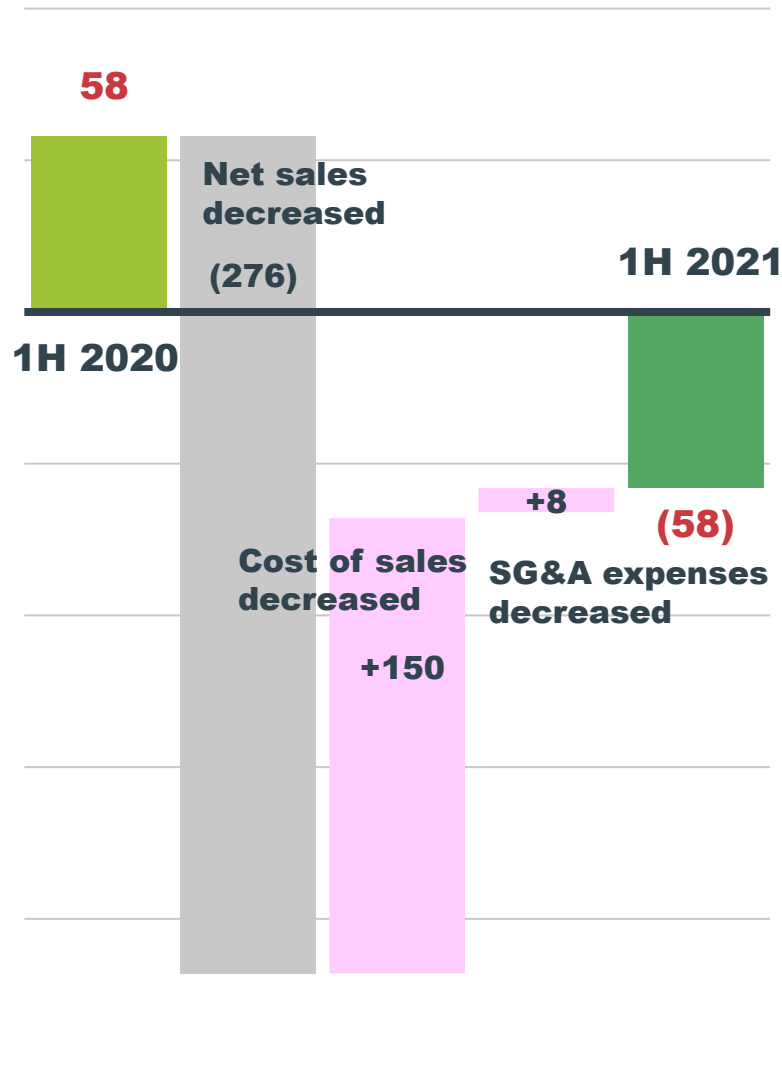
Down 34.0% YoY (0.2 bn)

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.



Segment Profit (Bath House)



1H FY8/2021
Segment Profit (Loss)

(0.05) bn yen



Decrease in cost of sales

Cost of merchandise	(42)
Employees' salaries	(48)
Utilities	(22)



Gross profit margin

From 11.2% to (6.4%)

(Millions of yen)

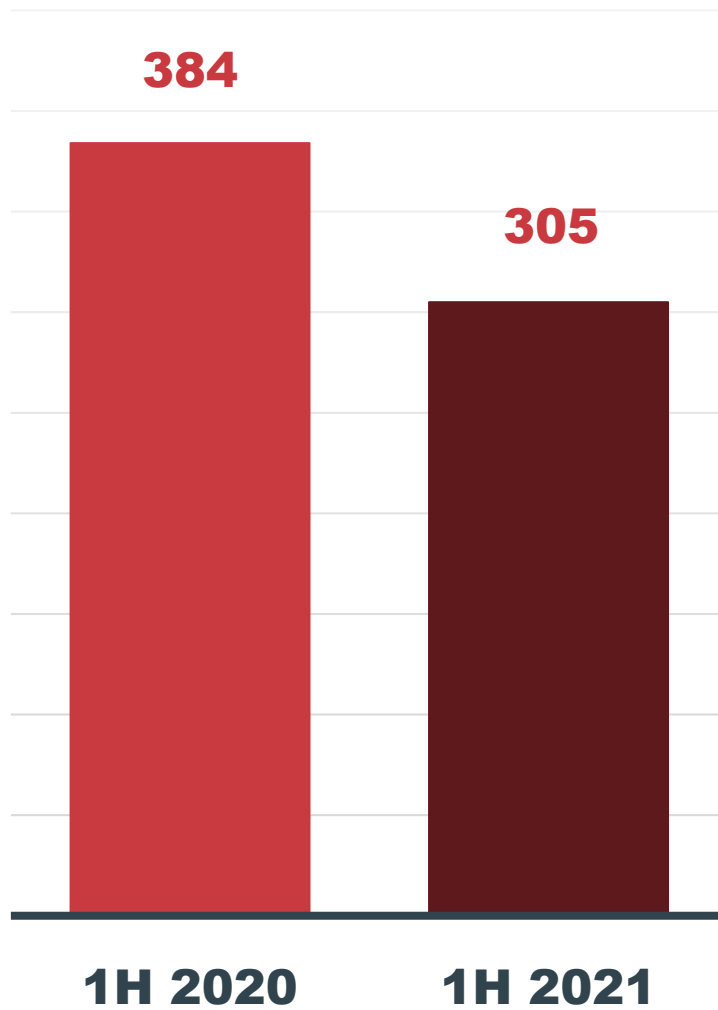
Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.



Real Estate Management



Net Sales (Real Estate Mgt)



**1H FY8/2021
Net Sales**

0.3 bn yen

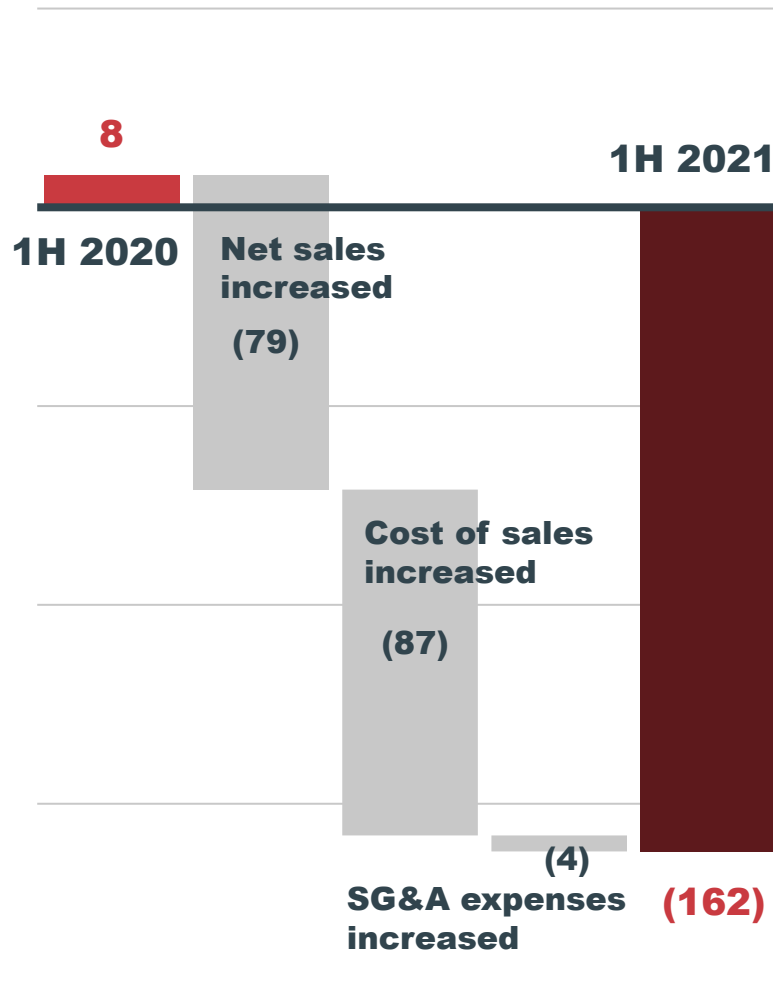
Down 20.5% YoY (0.07 bn)

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.



Segment profit (Real Estate Mgt)



1H FY8/2021 Segment Profit (Loss)

[0.16] bn yen



Gross profit margin
From 4.0% to (49.3%)

Increase in cost of sales includes

Depreciation	+32
Rents	+60

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.



AQERU Maebashi, the Maebashi Station North Exit Building

Many sales activities to attract more tenants

New tenants in 2021

- Nippon Life Insurance Company Gunma Branch (3F)
- Maebashi City Hall study room (2F)



5F	Fujitsu 富士通フロンテック Oct 2019			
4F	Canon キヤノンデバイスシステムズ株式会社 Feb 2017	SCG SOUHO CAREER GROUP 総合キャリアプラスト Aug 2019	Fujitsu 富士通フロンテック Oct 2019	CLIMB CLIMB CO.,LTD. Sep 2020
3F	日本生命 NISSAY 2021			
2F	前橋市 Maebashi city 2021			
1F	LAWSON Nov 2012	Grand Vin Maebashi by Nakamura wineries Dec 2020	PRONTO CAFFE & BAR 1984 Dec 2020	TSUTAYA BOOKSTORE Dec 2020
B1	HADO Oct 2020	ENNICH -1+10- Oct 2020	まねきねこ Nov 2020	

FY8/2021

Consolidated Forecast

There is still no fiscal year forecast. An announcement will be made promptly once it becomes possible to determine a forecast.

There is also no forecast for the fiscal year-end dividend.

Strategic Objectives

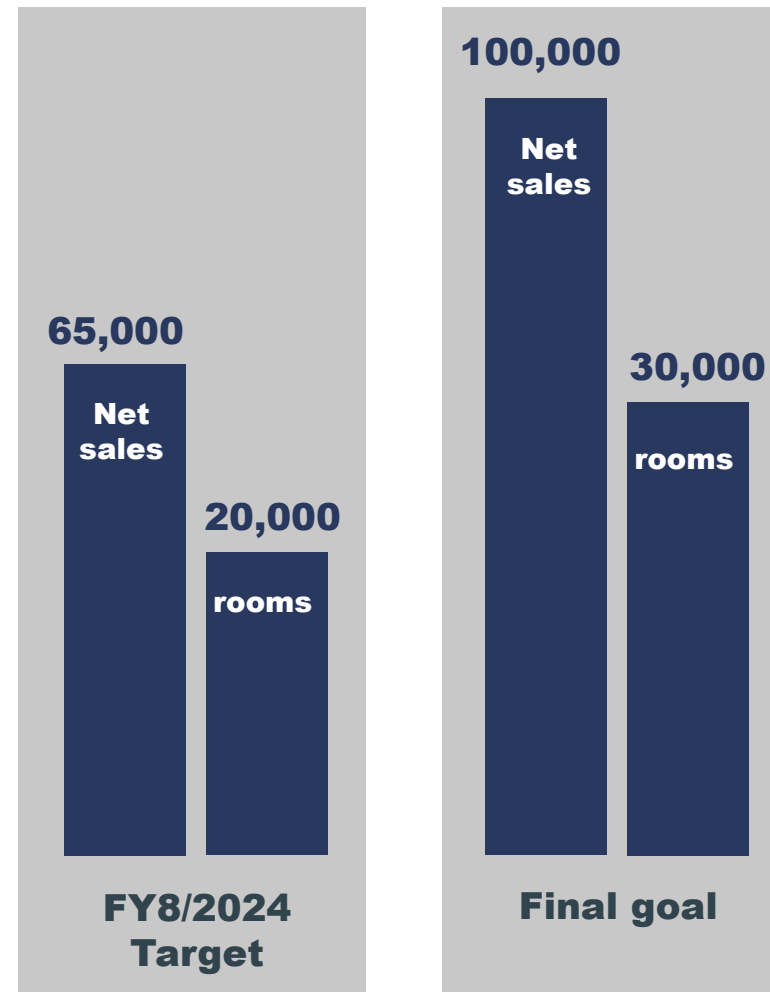
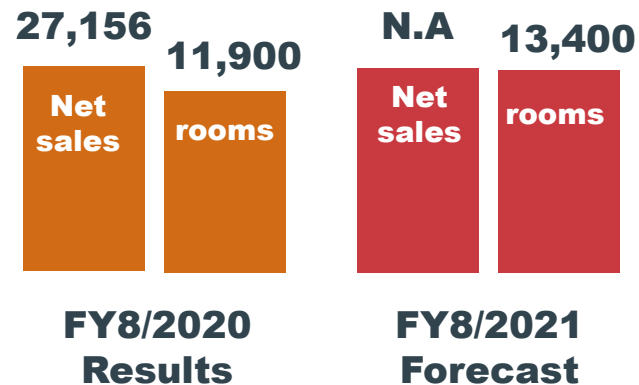
Second Year of the Medium-term Plan

Entertainment as infrastructure

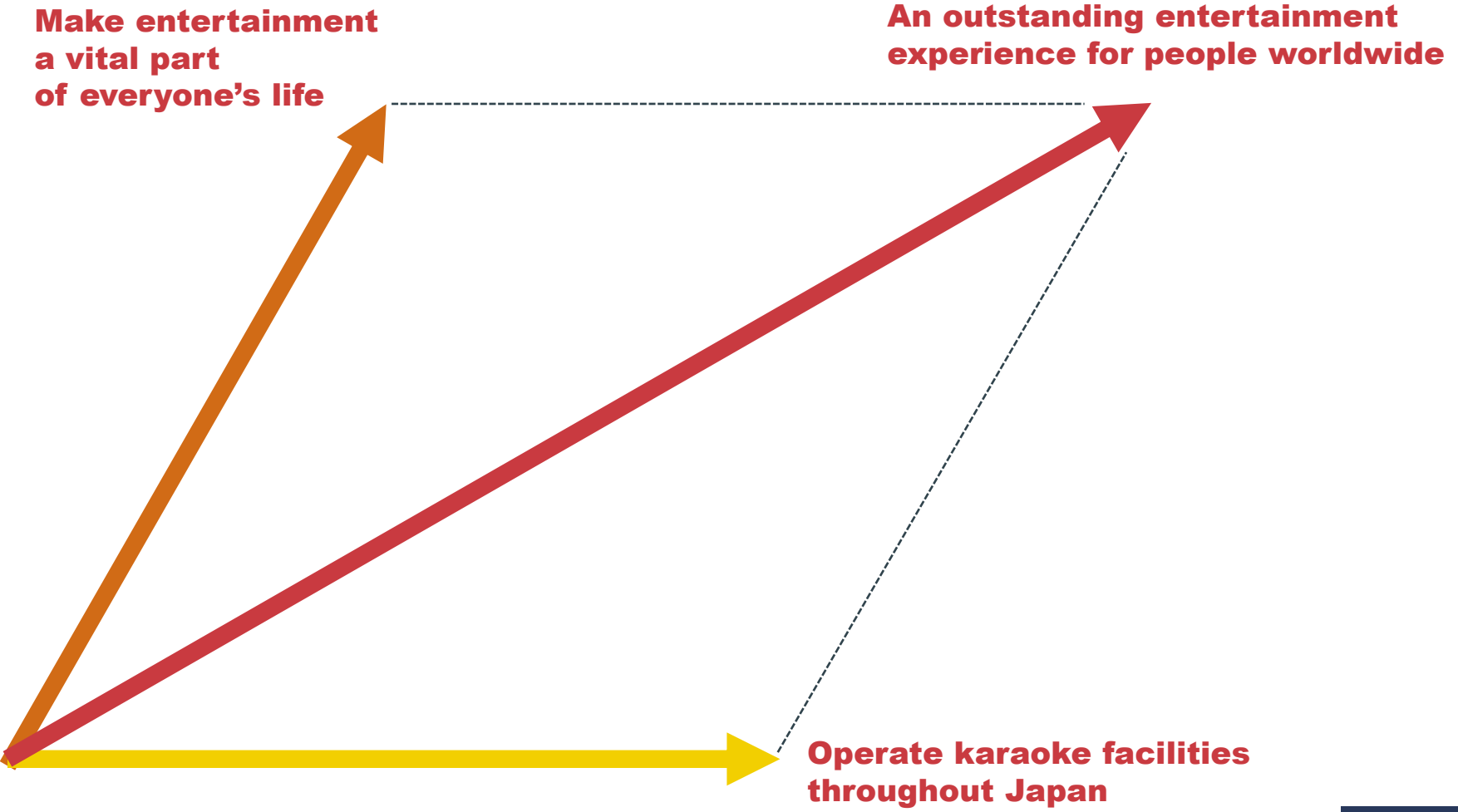
No change in the final goal

Karaoke sales in Japan (Millions of yen)

Note: All amounts are rounded down to the nearest million yen; number of rooms in Japan)

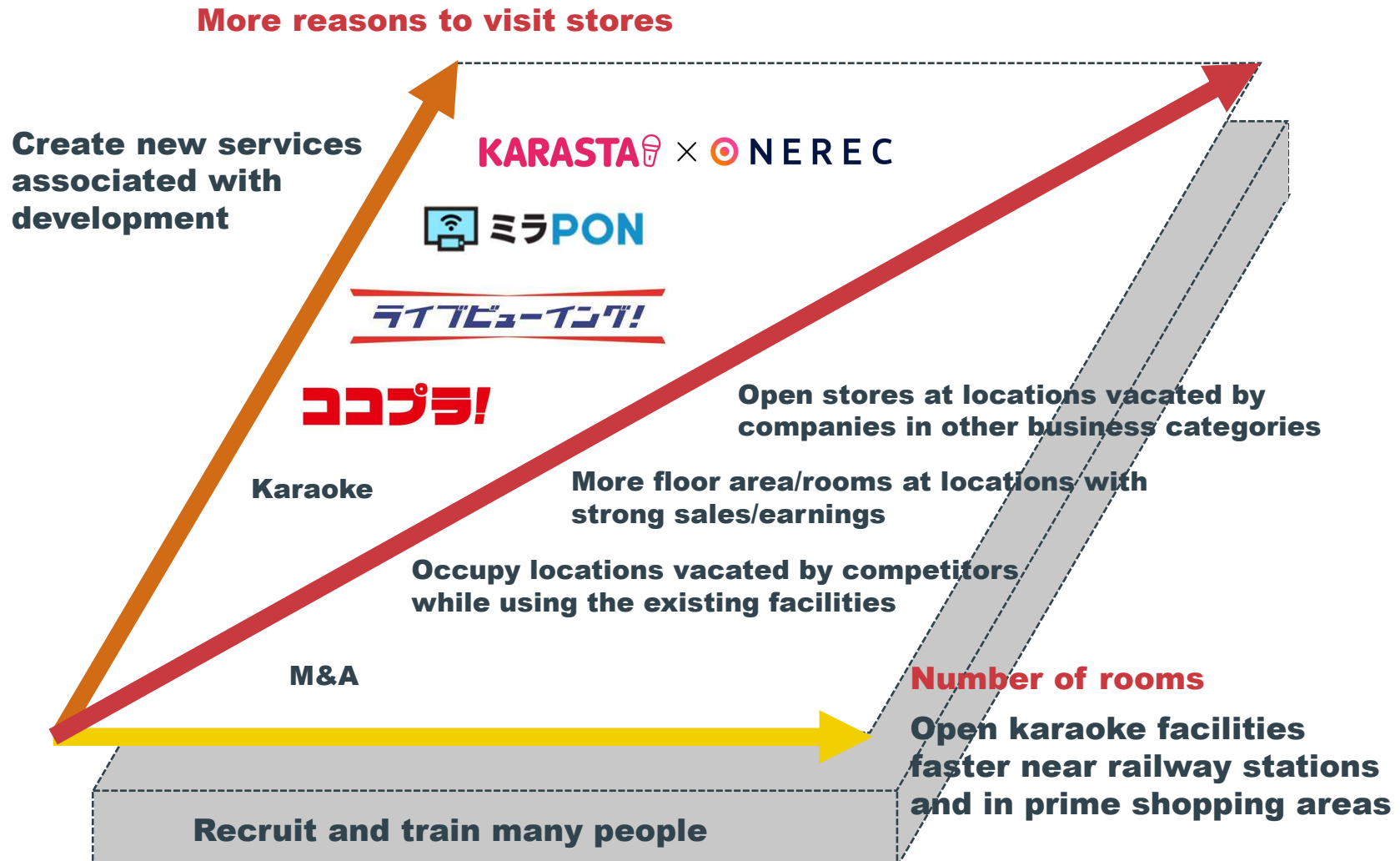


Entertainment as infrastructure



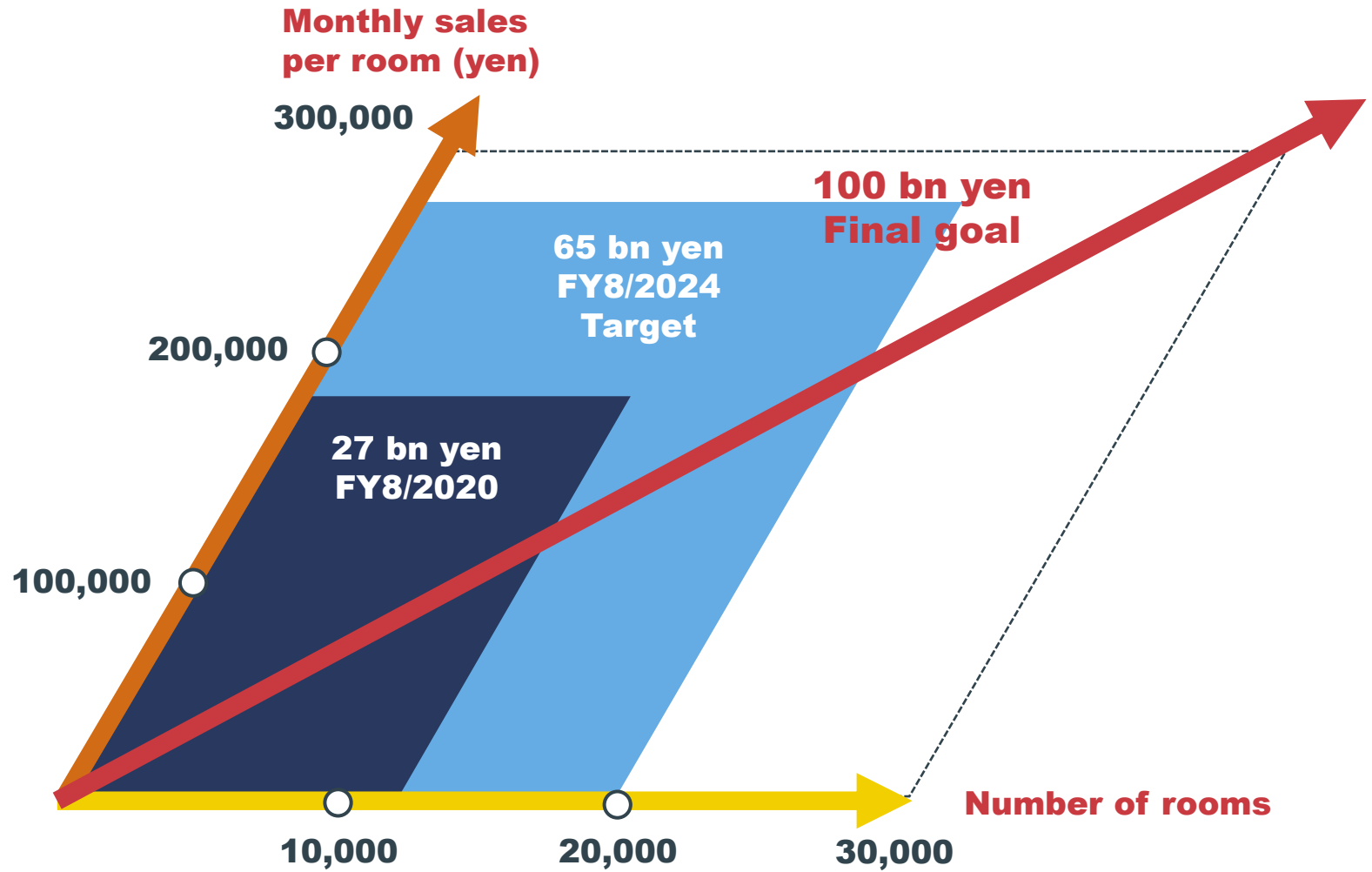
Actions for Accomplishing Goals

Entertainment as infrastructure



Quantitative Targets (Karaoke sales in Japan)

Entertainment as infrastructure



The Goal of the Koshidaka Group

**We are dedicated to constantly
creating and expanding
new business models in
existing industries.**

Question-and-answer session

Appendix

What is Koshidaka Holdings?



- 522** Locations in Japan
- 18** Oversea locations
- 14** Karaage-no-Tensai
Chicken Restaurants, etc.

Karaoke Business

Second largest number of locations in our industry
 Quality services at low prices set us apart from competitors
 An international organization with operations in South Korea, Singapore, Malaysia, Thailand and Indonesia

Bath House Business

Natural hot springs at all locations
 Place to come and soak in a bath, enjoy a meal and relax

5 Locations in Japan

Real Estate Mgt Business

Ownership and operation of AQERU Maebashi, the Maebashi Station North Exit Building
 Subleasing business of commercial buildings

Organization



KOSHIDAKA HOLDINGS Co., LTD.
Capital: 2,070 mil yen
Head office: Minato-ku, Tokyo

KOSHIDAKA Amusement Co., Ltd
 Minato-ku, Tokyo

Fantasy

Utaunda-mura

KOSHIDAKA Co., Ltd
 Minato-ku, Tokyo



Bath House

KOSHIDAKA INTERNATIONAL PTE.LTD.
 Singapore

Koshidaka Singapore Pte. LTD.
 Singapore

KOSHIDAKA MALAYSIA SDN. BHD.
 Malaysia

Koshidaka Thailand Co., Ltd.
 Thailand

PT Koshidaka International Indonesia
 Indonesia



KOSHIDAKA KOREA Co., Ltd.
 Jung-gu, Seoul



KOSHIDAKA Products Co., Ltd.
 Minato-ku, Tokyo



Real Estate Mgt

KOSHIDAKA Business Support Co., Ltd.
 Minato-ku, Tokyo

Karaoke

Corporate Overview

Company name	KOSHIDAKA HOLDINGS Co., LTD
Business	Oversight of operating companies, business development and other activities
Established	March 1967
Tokyo Head Office	Kamiyacho MT Building 17F, 4-3-20 Toranomom, Minato-ku, Tokyo, Japan
Maebashi Head Office	1-5-1 Odomomachi, Maebashi-shi, Gunma, Japan
Capital	JPY 2,070,257,500
Employees	1,870 (all group companies, as of the end Feb. 2021)
Consolidated subsidiaries	KOSHIDAKA Co., Ltd. / KOSHIDAKA PRODUCTS Co., Ltd. KOSHIDAKA Business Support Co., Ltd. / KOSHIDAKA Amusement Co., Ltd. KOSHIDAKA INTERNATIONAL PTE. LTD. / KOSHIDAKA SINGAPORE PTE. LTD. / KOSHIDAKA KOREA Co., Ltd.
Corporate Philosophy	Our mission is to contribute to the creation of fulfilling and rewarding leisure activities and a peaceful world filled with hope by remaining a consistent source on a global scale of innovative and meaningful services and products.

Results by Segment (Details)

(Millions of yen)

Note: All amounts are rounded down to the nearest million yen; all percentages are rounded to one decimal place.

	FY8/2018		FY8/2019		FY8/2020		FY8/2021E	
	1H	FY	1H	FY	1H	FY	1H	FY
Net sales	30,394	61,771	32,582	65,840	33,981	43,303	12,116	
Karaoke	15,706	31,936	17,740	35,732	18,842	27,156	11,274	
Curves fitness	13,711	27,933	13,863	28,036	14,302	14,302		
Bath house	819	1,587	822	1,640	812	1,207	536	
Real estate mgt	157	313	156	431	384	637	305	
Cost of sales	22,421	45,064	22,579	46,077	23,668	35,048	13,117	
Karaoke	12,498	25,447	13,678	27,737	14,279	24,821	12,090	
Bath house	745	1,460	756	1,465	721	1,231	570	
Real estate mgt	89	175	123	343	369	698	456	
Gross profit	7,973	16,706	10,003	19,762	10,313	8,254	(1,001)	
Karaoke	3,207	6,489	4,061	7,994	4,202	2,335	(815)	
Bath house	74	127	66	174	91	(24)	(34)	
Real estate mgt	67	154	33	88	15	(60)	(151)	
SG&A expenses	4,286	8,848	5,018	10,254	5,432	7,107	1,642	
Karaoke	1,635	3,336	1,672	3,475	1,923	3,174	1,266	
Bath house	28	55	35	65	32	45	23	
Real estate mgt	4	18	4	28	7	16	11	
Operating profit	3,687	7,858	4,984	9,507	4,880	11,054	(2,644)	
Karaoke	1,571	3,153	2,389	4,518	2,279	(839)	(2,082)	
Curves fitness	2,431	5,345	2,985	5,679	3,005	3,005		
Bath house	45	71	31	108	58	(70)	(58)	
Real estate mgt	63	133	28	59	8	(77)	(162)	

Inquiries



▶ IR Contact

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Stock code : 2157

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