

Translation

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Summary of Consolidated Financial Results for the Nine Months Ended June 30, 2025 (Based on Japanese GAAP)

August 14, 2025

Company name: KONAKA CO.,LTD.
 Stock exchange listing: Tokyo
 Stock code: 7494 URL <https://www.konaka.co.jp>
 Representative: Representative Director, President and CEO Kensuke Konaka
 Group Representative
 Director, Managing Executive Officer, CFO,
 Inquiries: General Manager of Administration Ryusuke Konaka TEL 045(825)7700
 Headquarters
 Scheduled date to commence dividend payments: –
 Preparation of supplementary material on financial results: No
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the nine months ended June 30, 2025 (from October 1, 2024 to June 30, 2025)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|---------------------------------|-----------------|--------|------------------|-------|-----------------|-------|---|---|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % |
| Nine months ended June 30, 2025 | 45,308 | (11.4) | 1,308 | 158.1 | 1,542 | 118.7 | 1,543 | – |
| Nine months ended June 30, 2024 | 51,118 | – | 507 | – | 705 | – | (120) | – |

| | Earnings per share | Diluted earnings per share |
|---------------------------------|--------------------|----------------------------|
| | Yen | Yen |
| Nine months ended June 30, 2025 | 45.96 | – |
| Nine months ended June 30, 2024 | (4.11) | – |

(2) Consolidated financial position

| | Total assets | Net assets | Equity ratio |
|--------------------------|-----------------|-----------------|--------------|
| | Millions of yen | Millions of yen | % |
| As of June 30, 2025 | 46,153 | 17,623 | 38.2 |
| As of September 30, 2024 | 44,458 | 16,234 | 36.5 |

2. Cash dividends

| | Annual dividends per share | | | | |
|---|----------------------------|-----------------|-----------------|-----------------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Year ended September 30, 2024 | – | 0.00 | – | 0.00 | 0.00 |
| Year ending September 30, 2025 | – | 5.00 | – | | |
| Year ending September 30, 2025 (Forecast) | | | | 5.00 | 10.00 |

3. Forecast of consolidated financial results for the year ending September 30, 2025 (from October 1, 2024 to September 30, 2025)

Percentages indicate year-on-year changes

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Earnings per share |
|-----------|-----------------|-------|------------------|---|-----------------|---|---|---|--------------------|
| | Millions of yen | % | Millions of yen | % | Millions of yen | % | Millions of yen | % | Yen |
| Full year | 61,556 | (1.1) | 720 | – | 958 | – | (247) | – | (7.38) |

4. Notes

- (1) Significant changes in the scope of consolidation during the nine months ended June 30, 2025: No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: Yes
- Changes in accounting policies due to other reasons: Yes
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

| | | | |
|---------------------|-------------------|--------------------------|-------------------|
| As of June 30, 2025 | 35,322,490 shares | As of September 30, 2024 | 35,322,490 shares |
|---------------------|-------------------|--------------------------|-------------------|

Number of treasury shares at the end of the period

| | | | |
|---------------------|------------------|--------------------------|------------------|
| As of June 30, 2025 | 1,656,110 shares | As of September 30, 2024 | 1,794,453 shares |
|---------------------|------------------|--------------------------|------------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

| | | | |
|---------------------------------|-------------------|---------------------------------|-------------------|
| Nine months ended June 30, 2025 | 33,597,224 shares | Nine months ended June 30, 2024 | 29,304,433 shares |
|---------------------------------|-------------------|---------------------------------|-------------------|

Quarterly consolidated financial statements

Consolidated balance sheets

(Millions of yen)

| | As of September 30, 2024 | As of June 30, 2025 |
|---|--------------------------|---------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 2,181 | 4,612 |
| Accounts receivable - trade | 2,214 | 2,472 |
| Merchandise and finished goods | 12,314 | 12,578 |
| Work in process | 0 | 1 |
| Raw materials and supplies | 388 | 471 |
| Other | 2,270 | 1,756 |
| Total current assets | 19,369 | 21,891 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures, net | 2,885 | 2,747 |
| Land | 7,273 | 7,063 |
| Other, net | 293 | 272 |
| Total property, plant and equipment | 10,451 | 10,083 |
| Intangible assets | | |
| Trademark right | 1 | 1 |
| Other | 424 | 453 |
| Total intangible assets | 426 | 455 |
| Investments and other assets | | |
| Investment securities | 4,144 | 3,938 |
| Leasehold and guarantee deposits | 8,598 | 8,308 |
| Retirement benefit asset | 921 | 980 |
| Other | 620 | 543 |
| Allowance for doubtful accounts | (72) | (48) |
| Total investments and other assets | 14,211 | 13,722 |
| Total non-current assets | 25,089 | 24,261 |
| Total assets | 44,458 | 46,153 |
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 1,112 | 1,609 |
| Electronically recorded obligations - operating | 2,041 | 3,299 |
| Short-term borrowings | 7,455 | 7,458 |
| Current portion of long-term borrowings | 1,056 | 1,056 |
| Income taxes payable | 298 | 129 |
| Contract liabilities | 807 | 598 |
| Provision for bonuses | 271 | 230 |
| Other | 2,896 | 2,780 |
| Total current liabilities | 15,940 | 17,161 |
| Non-current liabilities | | |
| Long-term borrowings | 6,885 | 6,093 |
| Retirement benefit liability | 581 | 573 |
| Provision for point card certificates | 28 | 18 |
| Asset retirement obligations | 2,939 | 2,836 |
| Other | 1,848 | 1,845 |
| Total non-current liabilities | 12,283 | 11,367 |
| Total liabilities | 28,224 | 28,529 |

| | (Millions of yen) | |
|---|--------------------------|---------------------|
| | As of September 30, 2024 | As of June 30, 2025 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 5,305 | 100 |
| Capital surplus | 13,253 | 13,433 |
| Retained earnings | (1,778) | 4,425 |
| Treasury shares | (2,939) | (2,711) |
| Total shareholders' equity | 13,841 | 15,247 |
| Accumulated other comprehensive income | | |
| Valuation difference on available-for-sale securities | 2,207 | 2,190 |
| Foreign currency translation adjustment | (4) | 14 |
| Remeasurements of defined benefit plans | 190 | 171 |
| Total accumulated other comprehensive income | 2,393 | 2,376 |
| Total net assets | 16,234 | 17,623 |
| Total liabilities and net assets | 44,458 | 46,153 |

Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

Consolidated statements of income (cumulative)

(Millions of yen)

| | Nine months ended June 30, 2024 | Nine months ended June 30, 2025 |
|--|------------------------------------|------------------------------------|
| Net sales | 51,118 | 45,308 |
| Cost of sales | 21,196 | 17,916 |
| Gross profit | 29,922 | 27,391 |
| Selling, general and administrative expenses | 29,415 | 26,082 |
| Operating profit | 507 | 1,308 |
| Non-operating income | | |
| Interest income | 24 | 4 |
| Dividend income | 43 | 45 |
| Rental income from real estate | 329 | 328 |
| Reversal of provision for bonuses | 163 | — |
| Other | 153 | 133 |
| Total non-operating income | 715 | 512 |
| Non-operating expenses | | |
| Interest expenses | 125 | 149 |
| Commission expenses | 167 | — |
| Rental expenses on real estate | 87 | 63 |
| Arrangement Fee | 88 | — |
| Other | 48 | 64 |
| Total non-operating expenses | 516 | 278 |
| Ordinary profit | 705 | 1,542 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 587 | 183 |
| Gain on sale of investment securities | — | 361 |
| Total extraordinary income | 587 | 544 |
| Extraordinary losses | | |
| Loss on retirement of non-current assets | 12 | 30 |
| Impairment losses | 827 | 304 |
| Loss on store closings | 63 | 27 |
| Other | — | 13 |
| Total extraordinary losses | 903 | 376 |
| Profit before income taxes | 389 | 1,711 |
| Income taxes - current | 328 | 146 |
| Income taxes - refund | — | (1) |
| Income taxes - deferred | 129 | 22 |
| Total income taxes | 457 | 167 |
| Profit (loss) | (68) | 1,543 |
| Profit attributable to non-controlling interests | 51 | — |
| Profit (loss) attributable to owners of parent | (120) | 1,543 |

Consolidated statements of comprehensive income (cumulative)

(Millions of yen)

| | Nine months ended June 30, 2024 | Nine months ended June 30, 2025 |
|--|------------------------------------|------------------------------------|
| Profit (loss) | (68) | 1,543 |
| Other comprehensive income | | |
| Valuation difference on available-for-sale securities | (1) | (17) |
| Foreign currency translation adjustment | (4) | 18 |
| Remeasurements of defined benefit plans, net of tax | (6) | (18) |
| Total other comprehensive income | (12) | (16) |
| Comprehensive income | (81) | 1,527 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | (127) | 1,527 |
| Comprehensive income attributable to non-controlling interests | 46 | — |