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Consolidated Financial Results for the Nine Months Ended April 30, 2025 (Under Japanese GAAP)

June 6, 2025

Company name: Eternal Hospitality Group Co., Ltd.
 Listing: Tokyo Stock Exchange
 Securities code: 3193
 URL: <https://eternal-hospitality.co.jp/>
 Representative: Tadashi Okura, Representative Director, President, and CEO
 Inquiries: Hiroshi Kobata, Executive Officer and General Manager of Corporate Management
 Department
 TEL: 06-6206-0808
 Scheduled date to commence dividend payments: -
 Preparation of supplementary material on financial results: None
 Holding of financial results briefing: None

(Yen amounts are rounded down to millions)

1. Consolidated financial results for the nine months ended April 30, 2025 (from August 1, 2024 to April 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 April 30, 2025	33,822	9.4	2,025	(25.0)	1,988	(26.8)	1,116	(34.9)
Nine months ended April 30, 2024	30,913	27.9	2,698	217.1	2,715	217.5	1,715	314.0

Note: Comprehensive income Nine months ended April 30, 2025 ¥1,039 million (-39.8%)
 Nine months ended April 30, 2024 ¥1,726 million (321.7%)

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended April 30, 2025	96.87	-
Nine months ended April 30, 2024	148.02	-

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Millions of yen	Millions of yen	%
As of April 30, 2025	20,541	9,222	44.9
As of July 31, 2024	20,654	8,692	42.1

Reference: Equity As of April 30, 2025 ¥9,222 million
 As of July 31, 2024 ¥8,692 million

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended July 31, 2024	-	6.00	-	23.00	29.00
Fiscal year ending July 31, 2025	-	23.00	-		
Fiscal year ending July 31, 2025 (Forecast)				23.00	46.00

Note: Revisions to the forecast of cash dividends most recently announced: None

3. Forecast of consolidated financial results for the fiscal year ending July 31, 2025 (from August 1, 2024 to July 31, 2025)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	45,335	8.2	3,036	(6.5)	3,026	(7.2)	1,800	(15.4)	154.92

Note: Revisions to the forecast of financial results most recently announced: None

*** Notes**

- (1) Significant changes in the scope of consolidation during the current consolidated cumulative period: Yes
Newly included: 1 company (Company name) Torikizoku Shanghai Co., Ltd., Excluded: - companies
- (2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

- (4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)	As of April 30, 2025	11,622,300 shares	As of July 31, 2024	11,622,300 shares
(ii) Number of treasury shares at the end of the period	As of April 30, 2025	87,725 shares	As of July 31, 2024	95,524 shares
(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)	Nine months ended April 30, 2025	11,530,392 shares	Nine months ended April 30, 2024	11,588,715 shares

* Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: Yes (optional)

* Proper use of earnings forecasts, and other special matters

Forecasts of financial results and other forward-looking statements herein are based on information available to the Company (Eternal Hospitality Group Co., Ltd.) at the time of submission and certain assumptions deemed reasonable by the Company. They do not constitute guarantees of future performance and actual results, etc., may differ materially from these forecasts due to a variety of factors.

2. Quarterly Consolidated Financial Statements and Primary Notes

(1) Quarterly Consolidated Balance Sheet

(Thousands of yen)

	As of July 31, 2024	As of April 30, 2025
Assets		
Current assets		
Cash and deposits	8,361,112	6,894,232
Accounts receivable - trade	1,018,569	1,273,791
Inventories	189,573	210,504
Accounts receivable - other	632,454	712,577
Other	545,558	732,646
Total current assets	10,747,268	9,823,752
Non-current assets		
Property, plant and equipment		
Buildings, net	4,798,872	5,539,476
Other, net	991,033	1,239,316
Total property, plant and equipment	5,789,905	6,778,793
Intangible assets		
Goodwill	228,877	216,477
Other	241,043	259,067
Total intangible assets	469,920	475,545
Investments and other assets		
Guarantee deposits	1,917,135	2,042,877
Deferred tax assets	1,248,113	933,788
Other	490,850	494,959
Allowance for doubtful accounts	(8,632)	(7,853)
Total investments and other assets	3,647,467	3,463,772
Total non-current assets	9,907,293	10,718,110
Total assets	20,654,561	20,541,862
Liabilities		
Current liabilities		
Accounts payable - trade	1,778,579	2,078,321
Current portion of long-term borrowings	1,056,760	1,257,148
Accounts payable - other	1,792,439	1,952,785
Income taxes payable	980,199	5,180
Provision for bonuses	717,738	232,410
Provision for shareholder benefit program	32,242	24,749
Provision for bonuses for directors (and other officers)	82,050	42,409
Other	1,571,084	1,713,383
Total current liabilities	8,011,093	7,306,387
Non-current liabilities		
Long-term borrowings	2,353,765	2,349,941
Provision for share awards for directors (and other officers)	53,401	48,633
Retirement benefit liability	83,148	91,638
Asset retirement obligations	1,207,374	1,223,075
Other	253,120	299,243
Total non-current liabilities	3,950,809	4,012,531
Total liabilities	11,961,902	11,318,919

(Thousands of yen)

	As of July 31, 2024	As of April 30, 2025
Net assets		
Shareholders' equity		
Share capital	1,491,829	1,491,829
Capital surplus	1,481,829	1,481,829
Retained earnings	5,952,568	6,534,917
Treasury shares	(312,400)	(286,919)
Total shareholders' equity	8,613,826	9,221,656
Accumulated other comprehensive income		
Foreign currency translation adjustment	80,082	1,406
Remeasurements of defined benefit plans	(1,249)	(119)
Total accumulated other comprehensive income	78,833	1,287
Total net assets	8,692,659	9,222,943
Total liabilities and net assets	20,654,561	20,541,862

(2) Quarterly Consolidated Statement of Income and Consolidated Statement of Comprehensive Income
(Quarterly Consolidated Statement of Income)
(For the Nine Months Ended April 30, 2025 and 2024)

(Thousands of yen)

	Nine months ended April 30, 2024	Nine months ended April 30, 2025
Net sales	30,913,100	33,822,673
Cost of sales	9,518,239	10,630,934
Gross profit	21,394,861	23,191,738
Selling, general and administrative expenses	18,696,219	21,166,677
Operating profit	2,698,641	2,025,061
Non-operating income		
Interest income	60	3,683
Surrender value of insurance policies	8,569	21,076
Insurance claim income	11,504	-
Foreign exchange gains	4,752	-
Other	9,998	17,516
Total non-operating income	34,886	42,277
Non-operating expenses		
Interest expenses	9,935	18,215
Fees paid	3,379	6,857
Share of loss of entities accounted for using equity method	-	5,038
Cash over and short	3,907	-
Foreign exchange losses	-	26,213
Miscellaneous losses	444	22,712
Total non-operating expenses	17,668	79,036
Ordinary profit	2,715,860	1,988,301
Extraordinary losses		
Loss on sale of non-current assets	-	928
Loss on retirement of non-current assets	1,600	5,141
Impairment losses	29,654	23,310
Loss on store closings	-	16,271
Total extraordinary losses	31,254	45,651
Profit before income taxes	2,684,605	1,942,650
Income taxes - current	790,016	511,772
Income taxes - deferred	179,199	313,909
Total income taxes	969,216	825,682
Profit	1,715,389	1,116,968
Profit attributable to owners of parent	1,715,389	1,116,968

(Quarterly Consolidated Statement of Comprehensive Income)
(For the Nine Months Ended April 30, 2025 and 2024)

(Thousands of yen)

	Nine months ended April 30, 2024	Nine months ended April 30, 2025
Profit	1,715,389	1,116,968
Other comprehensive income		
Foreign currency translation adjustment	16,781	(69,747)
Remeasurements of defined benefit plans, net of tax	(5,829)	1,129
Share of other comprehensive income of entities accounted for using equity method	-	(8,928)
Total other comprehensive income	10,952	(77,546)
-Comprehensive income	1,726,341	1,039,422
(Comprehensive income attributable to)		
Comprehensive income attributable to owners of parent	1,726,341	1,039,422
Comprehensive income attributable to non-controlling interests	-	-