



Consolidated Financial Report

For the Three-month Period Ended March 31, 2026 (IFRS)

May 13, 2026

Company Name SKYLARK HOLDINGS CO., LTD. Stock Exchange Listing: Tokyo Stock Exchange, Prime Market
 Securities Code 3197 URL: <https://corp.skylark.co.jp/en/>
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 Dividend payable date (as planned) —
 Supplemental material of quarterly results Yes
 Convening briefing of quarterly results Yes (for analysts and institutional investors)

(Millions of yen; amounts are rounded to the nearest million yen)

1. Consolidated Financial Results for the Three-month Period Ended March 31, 2026

(1) Consolidated Operating Results

(Percentages represent year-on-year changes)

	Revenue		Business profit		Operating profit		Income before income taxes		Net income		Net income attributable to owners of the Company		Total comprehensive income	
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)
Three-month period ended March 31, 2026	121,263	8.6	9,089	10.6	8,910	17.0	7,871	15.8	5,524	27.0	5,524	27.0	6,090	50.2
Three-month period ended March 31, 2025	111,670	16.8	8,220	29.3	7,612	24.8	6,794	24.7	4,349	27.1	4,349	27.1	4,053	12.8

	Basic earnings per share	Diluted earnings per share
	(Yen)	(Yen)
Three-month period ended March 31, 2026	24.29	24.29
Three-month period ended March 31, 2025	19.12	19.12

(Reference)

EBITDA	Three-month period ended March 31, 2026	21,843 million yen	[11.4%]	Three-month period ended March 31, 2025	19,609 million yen	[11.3%]
Adjusted EBITDA	Three-month period ended March 31, 2026	22,549 million yen	[10.3%]	Three-month period ended March 31, 2025	20,450 million yen	[10.6%]
Adjusted net income	Three-month period ended March 31, 2026	5,524 million yen	[27.0%]	Three-month period ended March 31, 2025	4,349 million yen	[27.1%]

(Note1) We use business profit, EBITDA, adjusted EBITDA and adjusted net income to evaluate the results of its operations. Refer to “* Notes for using forecasted information and other matters (3) - (5)” below for details.

(Note2) Business profit is calculated by deducting cost of sales and selling, general and administrative expenses from revenue, and operating profit is calculated by adding or subtracting other operating income and other operating expenses from business profit.

(Note3) During the three-month period ended December 31, 2025, the provisional accounting treatment for the business combination was finalized, and the relevant figures for the three-month period ended March 31, 2025 have been revised to reflect the finalization of such provisional accounting treatment.

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the Company	Ratio of equity attributable to owners of the Company to total assets
	(Millions of yen)	(Millions of yen)	(Millions of yen)	(%)
As of March 31, 2026	521,157	190,072	190,072	36.5
As of December 31, 2025	518,549	187,567	187,567	36.2

2. Dividends

	Dividends per share				
	First quarter	Second quarter	Third quarter	Fourth quarter	Total
Year ended December 31, 2025	(Yen) —	(Yen) 8.00	(Yen) —	(Yen) 14.00	(Yen) 22.00
Year ending December 31, 2026	—				
Year ending December 31, 2026 (Forecasted)		10.00	—	16.00	26.00

(Note) Revision of dividend forecast: None

3. Forecasts on the Consolidated Financial Results for the Year Ending December 31, 2026 (January 1, 2026 - December 31, 2026)

(Percentages represent year-on-year changes)

	Revenue		Business profit		Operating profit		Income before income taxes		Net income attributable to owners of the Company		Basic earnings per share
	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Millions of yen)	(%)	(Yen)
Year ending December 31, 2026	490,000	7.0	36,000	9.1	33,500	11.8	29,700	13.0	19,500	16.4	85.71

(Note) Revision of forecasts on the results of operations: None

(Reference)

Adjusted net income Year ending December 31, 2026 (Forecasted) 19,500 million yen (16.4%)

*** Notes**

- (1) Changes in status of significant subsidiaries during the period (changes in specified subsidiaries accompanying changes in scope of consolidation): No
 Number of subsidiaries newly consolidated: —
 Number of subsidiaries excluded from consolidation: —

- (2) Changes in accounting policies and accounting estimates
 (i) Changes in accounting policies required by IFRS: Yes
 (ii) Changes in accounting policies other than those in (i): No
 (iii) Changes in accounting estimates: No

- (3) Number of issued shares (common stock)

(i) Number of issued shares (including treasury stock)	As of March 31, 2026	227,502,200	As of December 31, 2025	227,502,200
(ii) Number of treasury stock	As of March 31, 2026	108,620	As of December 31, 2025	120
(iii) Average number of issued shares during the period	Three month-period ended March 31, 2026	227,449,036	Three month-period ended March 31, 2025	227,502,080

* This quarterly financial report is not subject to quarterly review procedures by certified public accountants or independent auditors.

*** Notes for using forecasted information and other matters**

- (1) We have adopted International Financial Reporting Standards (IFRS).
- (2) The forecasts above are based on information available as of the date of this report and certain assumptions deemed to be reasonable. We do not provide any assurance as to achievement of these forecasts. In addition, the actual results may vary materially from the forecasts due to various factors.
- (3) Refer to page 2 of Appendix “1. Qualitative Information on the Consolidated Financial Results for the Three-month Period Ended March 31, 2026 (1) Explanation of the Consolidated Operating Results” for the details of business profit, EBITDA, adjusted EBITDA and adjusted net income.
- (4) Business profit, EBITDA, adjusted EBITDA and adjusted net income are not measures prescribed in accordance with IFRS but are financial measures that we believe are useful for investors to assess the operating results of our business. These financial measures exclude the effect of non-cash items and non-recurring expense items, such as public offering-related expenses, loss on redemption of borrowings before the repayment date and gain or loss on the associated hedge transactions, and gain or loss on modification of financial liabilities in accordance with the adoption of IFRS 9, Financial Instruments (2014) (including readjustment of the amount of impact from the retroactive application of changes in accounting policies), that we do not consider to be indicative of the results of its normal operations or comparable to its competitors’ operating results.
- (5) The business profit, EBITDA, adjusted EBITDA and adjusted net income may not be comparable to those of other companies in the same industry due to the difference in calculation methods, and, as a result, their usefulness may decrease.

(Appendix)

Table of Contents

1. Qualitative Information on the Consolidated Financial Results for the Three-month Period Ended March 31, 2026	2
(1) Explanation of the Consolidated Operating Results	2
(2) Explanation of the Consolidated Financial Position	3
2. Condensed Interim Consolidated Financial Statements and Notes	5
(1) Condensed Interim Consolidated Statements of Financial Position	5
(2) Condensed Interim Consolidated Statements of Income	7
(3) Condensed Interim Consolidated Statements of Comprehensive Income	8
(4) Condensed Interim Consolidated Statements of Changes in Equity	9
(5) Condensed Interim Consolidated Statements of Cash Flows	11
(6) Notes to Condensed Interim Consolidated Financial Statements	12

1. Qualitative Information on the Consolidated Financial Results for the Three-month Period Ended March 31, 2026

(1) Explanation of the Consolidated Operating Results

During the three-month period ended March 31, 2026, the Japanese economy showed signs of potential positive impact from rising wages. However, a decline in consumer sentiment was observed due to geopolitical risks and rising prices. Meanwhile, experience-based consumption (“koto consumption”) and selective consumption, where consumers concentrate spending on items they perceive as valuable, continued to gain traction. This diversification in consumer behavior has created new opportunities for the food service industry to respond to evolving social needs.

Under these circumstances, our Group has set forth, as its key strategies for the current fiscal year, the deepening of store-centered management and the achievement of growth at existing stores through the menu and promotional strategies.

As part of operational reforms driven by the deepening of store-centered management, Gusto implemented the standardization of its grand menu in conjunction with a menu revision. As a result, employees’ cooking proficiency has further improved, leading to enhancements in both service quality and productivity. The creation of such operational capacity has enabled the provision of more pleasant customer service, thereby enhancing the overall customer experience.

In our menu and promotional strategies, our Group addressed the polarization in consumer preferences between “value-oriented spending” and “experience-focused consumption” by expanding its lineup of low-priced small dishes to enhance the enjoyment of choice, while also offering value unique to dining out through collaborations with renowned chefs and popular characters/brands. In delivery services, in addition to in-house delivery, our Group improved delivery efficiency by leveraging partner companies. As a result of these initiatives, both the customer traffic and the average spending per customer increased, significantly contributing to the growth in same-store sales.

As a result of these measures, same-store sales for the three-month period ended March 31, 2026 were 106.0% compared to the same period of the previous year.

During the three-month period ended March 31, 2026, we opened 5 new stores and converted 14 stores. Of these new openings, we opened 2 Syabu-Yo, 1 Gusto, and 1 Bamiyan in Japan, as well as 1 SUKI-YA in Malaysia. Store renovations (remodeling) also continued, with 50 stores remodeled during the three-month period ended March 31, 2026.

As for gross profit margin, despite efforts to mitigate the impact of rising raw material prices, such as reducing food waste at stores and implementing measures through cross-divisional COGS reduction project, the gross profit margin for the three-month period ended March 31, 2026 was 66.4%, down 0.3% compared to the same period in the previous year.

Selling, general and administrative expenses for the three-month period ended March 31, 2026 amounted to 71,468 million yen (an increase of 5,204 million yen compared to the same period in the previous year), mainly due to increased personnel expenses, including base salary increases reflecting the strong performance in the previous fiscal year, as well as a temporary increase in bonuses.

Additionally, with the closure of 17 stores during the three-month period ended March 31, 2026, a loss on disposal of goodwill of 142 million yen was recorded under other operating expenses.

As a result of the above, for the three-month period ended March 31, 2026, revenue was 121,263 million yen (an increase of 9,593 million yen compared to the same period in the previous year), business profit (Note 2) was 9,089 million yen (an increase of 870 million yen compared to the same period in the previous year), operating profit was 8,910 million yen (an increase of 1,298 million yen compared to the same period in the previous year), income before income taxes was 7,871 million yen (an increase of 1,077 million yen compared to the same period in the previous year), and net income attributable to owners of the Company was 5,524 million yen (an increase of 1,176 million yen compared to the same period in the previous year).

EBITDA (Note 3) was 21,843 million yen (an increase of 2,234 million yen compared to the same period in the previous year), adjusted EBITDA (Note 4) was 22,549 million yen (an increase of 2,099 million yen compared to the same period in the previous year), and adjusted net income (Note 5) was 5,524 million yen (an increase of 1,176 million yen compared to

the same period in the previous year). As of the end of March 2026, the number of stores was 3,099 (including 8 stores temporarily closed for renovations).

(Note 1) (Note 2) to (Note 5) are not measures as defined in IFRS.

(Note 2) Business profit is calculated by deducting cost of sales and selling, general and administrative expenses from revenue.

(Note 3) EBITDA = Income before income taxes + Interest Expense + Loss on redemption of borrowings before the repayment date and gain and loss from associated hedge transactions + Other financial expenses^(a) (excluding loss on redemption of borrowings before the repayment date and gain and loss from associated hedge transactions) - Interest income - Other financial income^(b) + Depreciation and amortization + Amortization of long-term prepaid expense + Amortization of long-term prepaid expense (deposit)

(a) Other financial expenses are disclosed as “Other expenses” in the Condensed Interim Consolidated Statements of Income.

(b) Other financial income is disclosed as “Other income” in the Condensed Interim Consolidated Statements of Income.

(Note 4) Adjusted EBITDA = EBITDA + Loss on disposal of fixed assets + Impairment loss of non-financial assets – Reversal of impairment loss of non-financial assets + public offering-related expenses

(Note 5) Adjusted net income (loss) = Net income (loss) + public offering-related expenses (Note 6) + Loss on redemption of borrowings before the repayment date and gain and loss from associated hedge transactions + Tax effects of adjustments

(Note 6) Public offering-related expenses are one-time expenses incurred at the time of IPO and public offering of the Company’s shares, including advisory fees.

(2) Explanation of the Consolidated Financial Position

(i) Assets, Liabilities and Equity

Analysis of assets, liabilities, and equity as of March 31, 2026 is summarized as follows:

Current assets were 69,068 million yen (an increase of 1,490 million yen compared to the end of the previous fiscal year), mainly due to an increase in cash and cash equivalents and other financial assets. Non-current assets were 452,089 million yen (an increase of 1,118 million yen compared to the end of the previous fiscal year), mainly due to an increase in property, plant and equipment and other financial assets.

Total assets were 521,157 million yen (an increase of 2,608 million yen compared to the end of the previous fiscal year).

Current liabilities were 100,478 million yen (a decrease of 4,894 million yen from the end of the previous fiscal year), mainly due to a decrease in trade and other payables, other current liabilities, and income tax payable. Non-current liabilities were 230,607 million yen (an increase of 4,997 million yen from the end of the previous fiscal year), mainly due to an increase in corporate bonds and long-term borrowings.

Total liabilities were 331,085 million yen (an increase of 103 million yen from the end of the previous fiscal year).

Equity was 190,072 million yen (an increase of 2,505 million yen from the end of the previous fiscal year). This was mainly due to a decrease from dividend payments (3,185 million yen) and an increase from the recording of income for the three-month period ended March 31, 2026 (5,524 million yen).

(ii) Cash Flows

Cash and cash equivalents as of March 31, 2026 were 35,771 million yen (an increase of 1,440 million yen compared to the end of the previous fiscal year). Each category of cash flows and its factors for the three-month period ended March 31, 2026 are summarized as follows:

Cash flows from operating activities:

Net cash from operating activities was 16,017 million yen (an increase of 3,229 million yen compared to the same period in the previous year). This was primarily due to cash outflows such as an increase of 1,892 million yen in income taxes paid, and cash inflows such as an increase of 2,036 million yen in changes in trade and other payables, an increase of 1,428 million yen in changes in other current liabilities, and an increase of 1,077 million yen in income before income taxes.

Cash flows from investing activities:

Net cash used in investing activities was 7,689 million yen (a decrease of 6,515 million yen compared to the same period in the previous year). This was primarily due to cash inflows such as a decrease of 8,754 million yen in purchase of shares of subsidiaries, and cash outflows such as an increase of 1,105 million yen in acquisition of property, plant and equipment, including investments in new, converted and remodeled restaurants, as well as an increase of 1,149 million yen in payments into time deposits. Our Group normally make payments of cash and cash equivalents one or two months after an increase in assets from investing activities.

Cash flows from financing activities:

Net cash used in financing activities was 6,939 million yen (an increase of 5,984 million yen compared to the same period in the previous year). This was primarily due to cash inflows such as a decrease of 7,000 million yen in repayments of short-term borrowings, a decrease of 3,120 million yen in repayments of long-term borrowings, and a decrease of 1,107 million yen in payments of commissions related to borrowings, and cash outflows such as a decrease of 16,000 million yen in proceeds from short-term borrowings, an increase of 684 million yen in dividends paid, and an increase of 400 million yen in purchase of treasury shares.

2. Condensed Interim Consolidated Financial Statements and Notes
(1) Condensed Interim Consolidated Statements of Financial Position
As of December 31, 2025 and March 31, 2026 (Unaudited)

(Millions of yen)

	As of December 31, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and cash equivalents	¥ 34,331	¥ 35,771
Trade and other receivables	23,569	22,860
Other financial assets	74	1,230
Inventories	7,832	7,477
Other current assets	1,771	1,730
Total current assets	67,578	69,068
Non-current assets		
Property, plant and equipment	230,208	230,866
Goodwill	162,683	162,751
Other intangible assets	20,028	20,197
Other financial assets	24,732	25,173
Deferred tax assets	12,221	12,139
Other non-current assets	1,100	963
Total non-current assets	450,971	452,089
Total assets	¥ 518,549	¥ 521,157

(Millions of yen)

	As of December 31, 2025	As of March 31, 2026
Liabilities and equity		
Liabilities		
Current liabilities		
Corporate bonds and short-term borrowings	¥ 14,339	¥ 14,365
Trade and other payables	33,935	32,210
Other financial liabilities	29,524	30,196
Income tax payable	5,233	2,485
Provisions	1,481	1,271
Other current liabilities	20,861	19,951
Total current liabilities	105,372	100,478
Non-current liabilities		
Corporate bonds and long-term borrowings	109,330	114,911
Other financial liabilities	95,457	95,332
Provisions	15,219	15,030
Deferred tax liabilities	4,516	4,556
Other non-current liabilities	1,088	777
Total non-current liabilities	225,610	230,607
Total liabilities	330,982	331,085
Equity		
Share capital	25,134	25,134
Capital surplus	52,918	49,732
Treasury shares	(0)	(400)
Other components of equity	2,905	3,471
Retained earnings	106,611	112,135
Equity attributable to owners of the Company	187,567	190,072
Total equity	187,567	190,072
Total liabilities and equity	¥ 518,549	¥ 521,157

(2) **Condensed Interim Consolidated Statements of Income**
For the Three-Month Period Ended March 31, 2025 and 2026 (Unaudited)

(Millions of yen)

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2026
Revenue	¥ 111,670	¥ 121,263
Cost of sales	(37,187)	(40,706)
Gross profit	74,484	80,557
Other operating income	486	634
Selling, general and administrative expenses	(66,264)	(71,468)
Other operating expenses	(1,093)	(813)
Operating profit	7,612	8,910
Interest income	11	24
Interest expense	(778)	(1,004)
Other expenses	(50)	(59)
Income before income taxes	6,794	7,871
Income taxes	(2,445)	(2,347)
Net income	4,349	5,524
Net income (loss) attributable to:		
Owners of the Company	¥ 4,349	¥ 5,524
Net income	¥ 4,349	¥ 5,524
Interim earnings (loss) per share		
Basic (Yen)	¥ 19.12	¥ 24.29
Diluted (Yen)	19.12	24.29

(3) Condensed Interim Consolidated Statements of Comprehensive Income
For the Three-Month Period Ended March 31, 2025 and 2026 (Unaudited)

(Millions of yen)

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2026
Net income	¥ 4,349	¥ 5,524
Other comprehensive income		
Items that are not reclassified to profit or loss		
Financial assets measured at fair value through other comprehensive income	(14)	(14)
Total items that are not reclassified to profit or loss	(14)	(14)
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	(500)	277
Cash flow hedges	218	303
Total items that may be reclassified to profit or loss	(282)	580
Other comprehensive income (loss), net of tax	(295)	566
Total comprehensive income	¥ 4,053	¥ 6,090
Comprehensive income attributable to:		
Owners of the Company	¥ 4,053	¥ 6,090
Total comprehensive income	¥ 4,053	¥ 6,090

(4) Condensed Interim Consolidated Statements of Changes in Equity
For the Three-Month Period Ended March 31, 2025 (Unaudited)

(Millions of yen)

	Share capital	Capital surplus	Treasury shares	Other components of equity			
				Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Cash flow hedges	Total
As of January 1, 2025	¥ 25,134	¥ 57,240	¥ (0)	¥ 44	¥ 869	¥ 224	¥ 1,137
Net income	—	—	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	(14)	(500)	218	(295)
Total comprehensive income	—	—	—	(14)	(500)	218	(295)
Purchase of treasury shares	—	—	—	—	—	—	—
Dividends	—	(2,503)	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	—	—	—	—
Total contributions by and distributions to owners of the Company	—	(2,503)	—	—	—	—	—
Total transactions with owners of the Company	—	(2,503)	—	—	—	—	—
As of March 31, 2025	¥ 25,134	¥ 54,738	¥ (0)	¥ 30	¥ 369	¥ 443	¥ 842

	Retained earnings	Equity attributable to owners of the Company	Total equity
As of January 1, 2025	¥ 89,861	¥ 173,372	¥ 173,372
Net income	4,349	4,349	4,349
Other comprehensive income, net of tax	—	(295)	(295)
Total comprehensive income	4,349	4,053	4,053
Purchase of treasury shares	—	—	—
Dividends	—	(2,503)	(2,503)
Transfer from other components of equity to retained earnings	—	—	—
Total contributions by and distributions to owners of the Company	—	(2,503)	(2,503)
Total transactions with owners of the Company	—	(2,503)	(2,503)
As of March 31, 2025	¥ 94,210	¥ 174,923	¥ 174,923

Condensed Interim Consolidated Statements of Changes in Equity – Continued
For the Three-Month Period Ended March 31, 2026 (Unaudited)

(Millions of yen)

	Share capital	Capital surplus	Treasury shares	Other components of equity			
				Financial assets measured at fair value through other comprehensive income	Exchange differences on translation of foreign operations	Cash flow hedges	Total
As of January 1, 2026	¥ 25,134	¥ 52,918	¥ (0)	¥ 60	¥ 1,883	¥ 963	¥ 2,905
Net income	—	—	—	—	—	—	—
Other comprehensive income, net of tax	—	—	—	(14)	277	303	566
Total comprehensive income	—	—	—	(14)	277	303	566
Purchase of treasury shares	—	(0)	(400)	—	—	—	—
Dividends	—	(3,185)	—	—	—	—	—
Transfer from other components of equity to retained earnings	—	—	—	0	—	—	0
Total contributions by and distributions to owners of the Company	—	(3,185)	(400)	0	—	—	0
Total transactions with owners of the Company	—	(3,185)	(400)	0	—	—	0
As of March 31, 2026	¥ 25,134	¥ 49,732	¥ (400)	¥ 45	¥ 2,160	¥ 1,266	¥ 3,471

	Retained earnings	Equity attributable to owners of the Company	Total equity
As of January 1, 2026	¥ 106,611	¥ 187,567	¥ 187,567
Net income	5,524	5,524	5,524
Other comprehensive income, net of tax	—	566	566
Total comprehensive income	5,524	6,090	6,090
Purchase of treasury shares	—	(400)	(400)
Dividends	—	(3,185)	(3,185)
Transfer from other components of equity to retained earnings	(0)	—	—
Total contributions by and distributions to owners of the Company	(0)	(3,585)	(3,585)
Total transactions with owners of the Company	(0)	(3,585)	(3,585)
As of March 31, 2026	¥ 112,135	¥ 190,072	¥ 190,072

(5) Condensed Interim Consolidated Statements of Cash Flows
For the Three-Month Period Ended March 31, 2025 and 2026 (Unaudited)

(Millions of yen)

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2026
Cash flows from operating activities		
Income before income taxes	¥ 6,794	¥ 7,871
Adjustments for:		
Depreciation and amortization	11,973	12,894
Loss on impairment of non-financial assets	401	446
Profit and loss on sale and disposal of fixed assets	440	260
Interest income	(11)	(24)
Interest expense	778	1,004
Other expenses	50	59
	20,426	22,509
Changes in working capital and other:		
Decrease (increase) in trade and other receivables	659	714
Decrease (increase) in inventories	518	358
Increase (decrease) in trade and other payables	(2,274)	(238)
Increase (decrease) in other financial liabilities (current)	151	341
Increase (decrease) in other current liabilities	(2,434)	(1,006)
Others	(435)	(730)
Cash generated from operations	16,611	21,949
Interest and dividends received	9	22
Interest paid	(529)	(759)
Income taxes paid	(3,303)	(5,194)
Net cash from operating activities	12,787	16,017
Cash flows from investing activities		
Payments into time deposits	—	(1,149)
Acquisition of property, plant and equipment	(4,579)	(5,683)
Proceeds from sale of property, plant and equipment	0	—
Acquisition of intangible assets	(602)	(720)
Purchase of shares of subsidiaries resulting in change in scope of consolidation	(8,754)	—
Payments of lease deposits and guarantee deposits	(257)	(194)
Proceeds from collection of lease deposits and guarantee deposits	65	152
Others	(78)	(95)
Net cash used in investing activities	(14,204)	(7,689)
Cash flows from financing activities		
Proceeds from short-term borrowings	16,000	—
Repayments of short-term borrowings	(7,000)	—
Proceeds from long-term borrowings	7,000	7,000
Repayments of long-term borrowings	(4,466)	(1,347)
Repayments of lease liabilities	(8,864)	(8,991)
Dividends paid	(2,436)	(3,120)
Payments of commissions related to borrowings	(1,188)	(81)
Purchase of treasury shares	—	(400)
Net cash from (used in) financing activities	(954)	(6,939)
Effect of exchange rate on the balance of cash and cash equivalents held in foreign currency	(148)	51
Net increase (decrease) in cash and cash equivalents	(2,519)	1,440
Cash and cash equivalents at the beginning of the period	19,170	34,331
Cash and cash equivalents at the end of the period	¥ 16,651	¥ 35,771

(6) Notes to Condensed Interim Consolidated Financial Statements

(i) Financial Reporting Framework

Condensed Interim Consolidated Financial Statements have been prepared in accordance with Article 5, Paragraph 2 of the Standards for Preparation of Quarterly Financial Statements, etc., of Tokyo Stock Exchange, Inc. (However, in accordance with Article 5, Paragraph 5 of the Standards for Preparation of Quarterly Financial Statements, etc., certain disclosures in “IAS 34 Interim Financial Reporting” are omitted.)

(ii) Notes on the Going Concern Assumption

No items to report.

(iii) Changes in Accounting Policies

Newly-adopted accounting standards and amendments

The material accounting policies adopted for the condensed interim consolidated financial statements are the same as those for the consolidated financial statements for the fiscal year ended December 31, 2025, except for the following standards, which have been newly adopted.

The Group calculates income taxes for the three-month period ended March 31, 2026 based on the estimated average annual effective tax rate.

The Group has adopted the following standards from the three-month period ended March 31, 2026.

IFRS	Title	Description of New Standards/Amendments
IFRS 9 IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	Clarification of classification for some financial instruments, amendment of derecognition timing for financial liabilities, and additional disclosure requirements for financial assets measured at fair value through other comprehensive income
IFRS 9 IFRS 7	Amendments related to nature-dependent electricity contracts	Prescribing the accounting treatment and disclosures for power purchase agreements

The adoption of the above standards had no material impact on the condensed interim consolidated financial statements.

(iv) Segment Information

The reportable segments of the Group are determined based on the operating segments that are components of the Group for which discrete financial information is available and whose operating results are reviewed regularly by the Board of Directors to make decisions about resources to be allocated to the segments and assess its performance. Operating segments are components of business activities from which the Group may earn revenues and incur expenses, including revenues and expenses relating to transactions with other operating segments.

The restaurant business is the only reportable segment of the Group. Accordingly, the Group has not disclosed reportable segment information.

(v) Selling, General and Administrative Expenses

The breakdown of selling, general and administrative expenses for each reporting period is as follows :

(Millions of yen)

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2026
Salaries	¥ 35,196	¥ 38,459
Utilities expenses	4,843	4,750
Depreciation and amortization	10,968	11,887
Others	15,257	16,372
Total	¥ 66,264	¥ 71,468

(vi) Interim Earnings per Share

(Millions of yen, except per share amounts)

	For the three-month period ended March 31, 2025	For the three-month period ended March 31, 2026
Net income attributable to common shareholders of the Company	¥ 4,349	¥ 5,524
Net income not attributable to common shareholders of the Company	—	—
Net income attributable to common shareholders used for calculation of basic interim earnings per share	4,349	5,524
Adjustment	—	—
Net income attributable to common shareholders used for calculation of diluted interim earnings per share	¥ 4,349	¥ 5,524
Weighted-average number of common shares during the period (Shares)	227,502,080	227,449,036
Weighted-average number of common shares used for calculation of diluted interim earnings per share (Shares)	227,502,080	227,449,036
Basic interim earnings per share (Yen)	¥ 19.12	¥ 24.29
Diluted interim earnings per share (Yen)	19.12	24.29

(Note) Diluted earnings per share was the same as the basic earnings per share because there were no dilutive potential common stocks.

(vii) Business Combinations, etc.

(Finalization of provisional accounting treatment for business combinations)

With respect to the business combination with Createries Consultancy Sdn. Bhd. and others conducted on January 10, 2025, provisional accounting treatment was applied from the end of March 2025, which was finalized at the end of the previous fiscal year. With the finalization of the provisional accounting treatment, the comparative information included in the condensed interim consolidated financial statements for the three-month period ended March 31, 2026 reflects the revision of the initial measurement of the fair value on the acquisition date.

As a result, in the condensed interim consolidated statements of income for the three-month period ended March 31, 2025, depreciation and amortization increased by 17 million yen, while income taxes decreased by 4 million yen. Accordingly, operating profit and income before income taxes each decreased by 17 million yen, and net income decreased by 13 million yen.