

Financial Results for the Six Months Ended June 30, 2025

August 5, 2025

(Listed on TSE Prime / FSE;
Securities code: 8179)

ROYAL

Royal Holdings Co., Ltd.

Bringing joy to communities and
society through food and
hospitality

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I -1. Profit and Loss

(Million yen)

	FY12/24 Q2	FY12/25 Q2	Change	Rate of changes
Net Sales	72,633	78,805	6,172	8.5%
Operating profit	3,443	3,195	-247	-7.2%
Ordinary profit	3,386	3,356	-29	-0.9%
Profit attributable to owners of parent	2,968	1,986	-981	-33.1%
EBITDA	7,054	7,599	545	7.7%

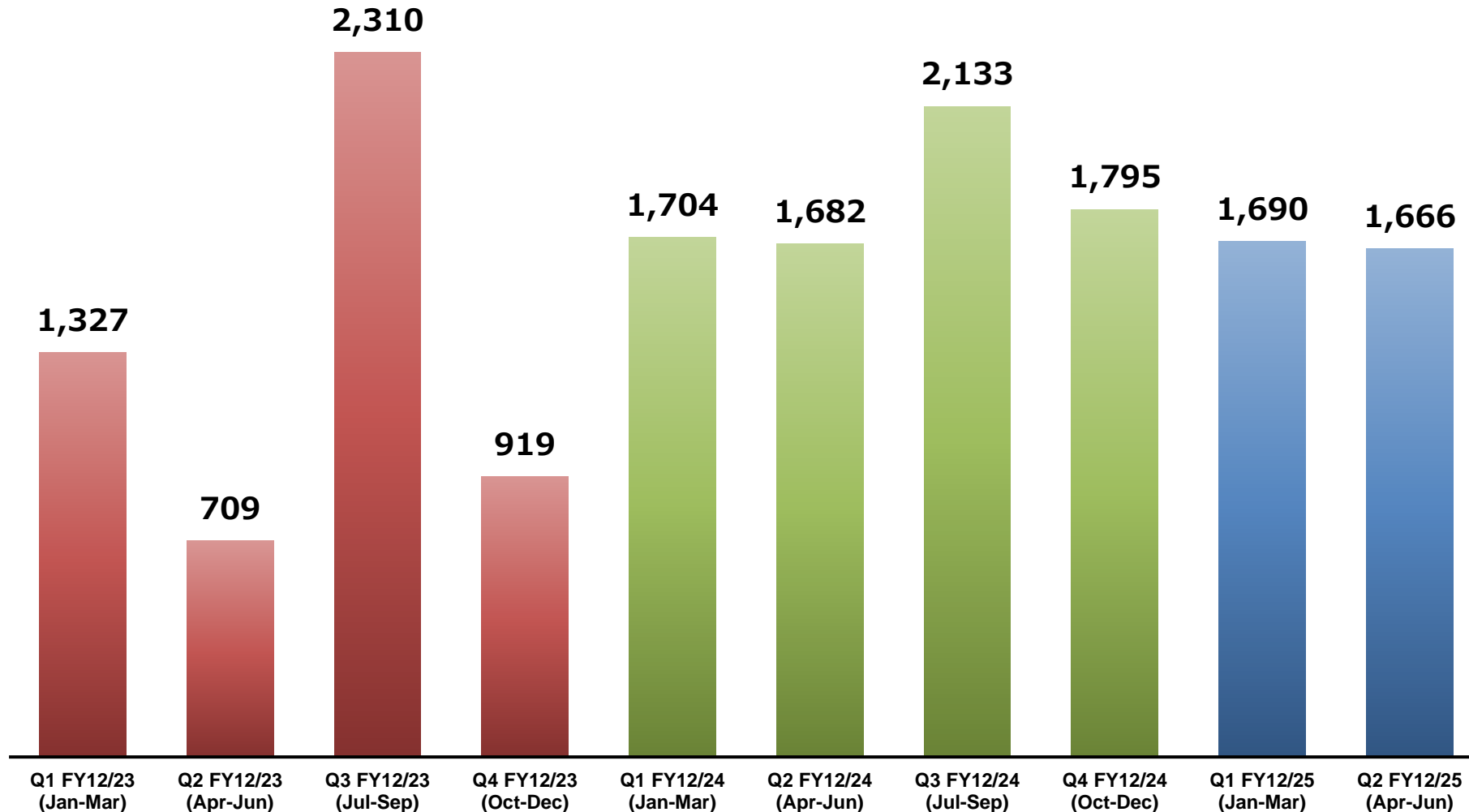
* EBITDA = Ordinary profit + Depreciation cost + Amortization of goodwill + Net interest expenses

- Net sales increased at existing stores, driven by higher selling prices and supported by solid tourism demand amid a rise in inbound travelers to Japan.
- Ordinary profit remained in line with the previous fiscal year, as the steady same-store sales and improved equity gains (losses) of affiliated companies offset increased costs associated with new store openings and system investments.
- Profit attributable to owners of parent declined YoY due to higher corporate taxes stemming from the elimination of loss carryforwards at a hotel subsidiary.

I -2. Quarterly Changes in Ordinary Profit

Quarterly Changes in Ordinary Profit

(Million yen)

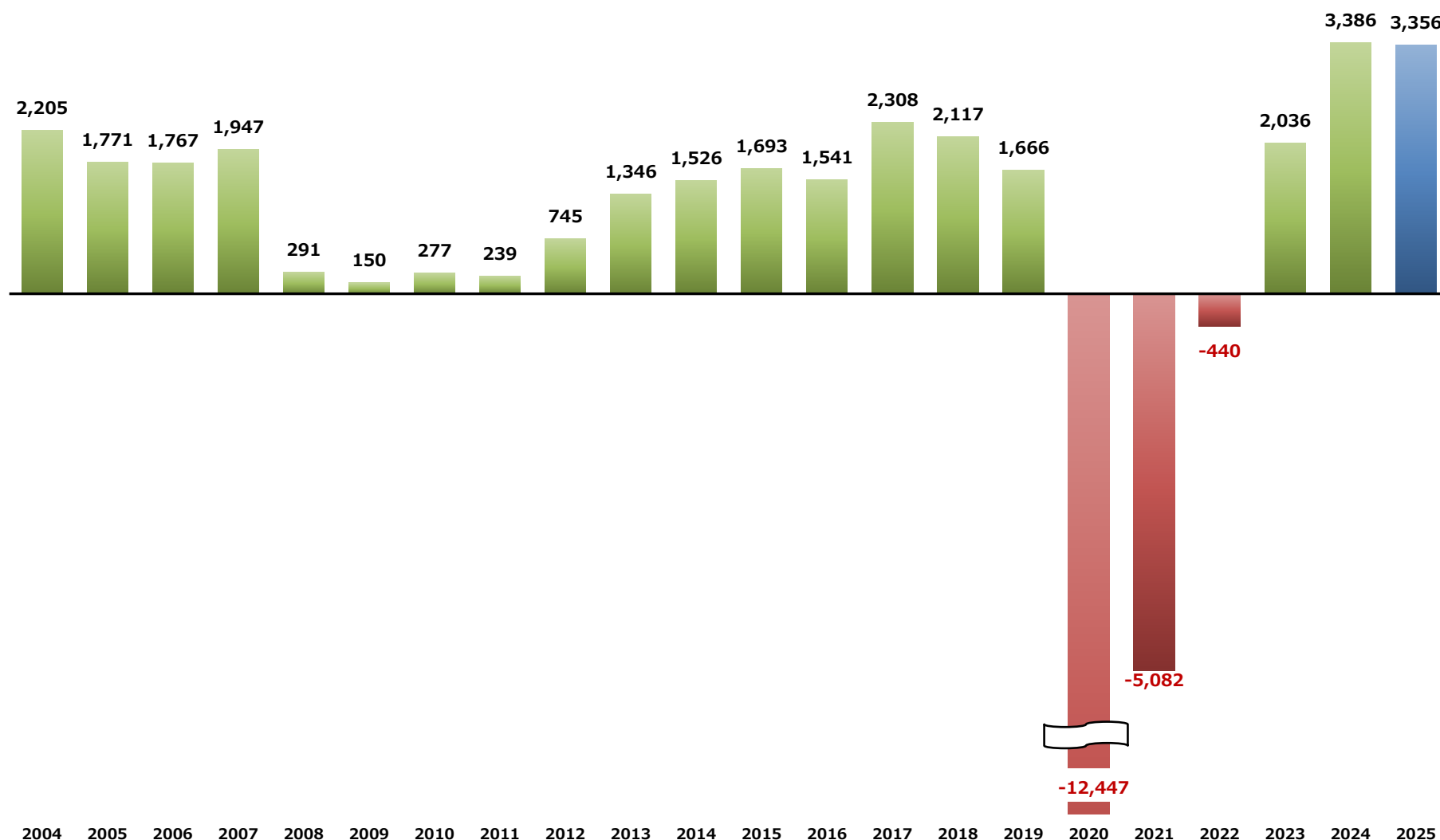


- In Q2 FY12/25 (April to June), we recorded positive ordinary profit for the 13th consecutive quarter.
- Cost pressures from rising raw material prices, increased labor expenses due to wage improvements, and upward trends in construction costs continued.
- However, initiatives such as revising selling prices and enhancing profitability across each business segment proved effective, resulting in stable profit levels.

I -3. Changes in First-Half Ordinary Profit

Changes in Ordinary Profit

(Million yen)



- For H1 of FY12/25 (January to June), we posted positive ordinary profit for the third consecutive year.
- Through measures such as revising selling prices across each business segment, we were able to absorb various cost increases. As a result, ordinary profit for H1 continued to exceed pre-COVID levels, following the same trend seen in the same period of FY12/24 (January to June).

I -4. Impact of Soaring Purchase Prices (YoY)

	H1 (Actual)	Q3 onward (Forecast)	Full-year 2025 (Forecast)
Raw materials	+0.9 billion yen	+1.0 billion yen	+1.9 billion yen
Electricity and gas	+0.2 billion yen	+0.2 billion yen	+0.4 billion yen
Total impact	+1.1 billion yen	+1.2 billion yen	+2.3 billion yen

- Procurement prices for rice continue to surge, and U.S. beef prices also remain high.
- Prices are also trending upward for processed foods, beverages, fresh produce, dairy products, and eggs.
- Electricity and gas costs have slightly declined thanks to the resumption of government subsidies from July to September.

*2022 result: +2.3 billion yen; 2023 result: +2.4 billion yen; 2024 result: +0.9 billion yen

(Million yen)

	FY12/24 Q2	FY12/25 Q2	Change
Cash flows from operating activities	4,229	6,564	2,335
Cash flows from investing activities	-4,365	-5,295	-930
(Capital investment)	-3,240	-5,225	-1,985
Cash flows from financing activities	-1,880	7,837	9,717
Total Cash flows	-2,016	9,105	11,122

Cash and deposits	24,377	28,752	4,375
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- Operating CF turned positive YoY, driven by an increase in income before income taxes and adjustments in working capital.
- Investing CF was negative YoY, as capital expenditures increased despite a decline in payments for the acquisition of shares in affiliated companies.
- Financing CF improved YoY, supported by an increase in long-term borrowings, despite the payment of dividends.
- Total cash flow amounted to 9.1 billion yen.

(Million yen)

	FY12/24		FY12/25	H1 FY12/25 Change
	End-June	End-period	End-June	
Total assets	125,285	127,738	135,716	7,977
(Reference) Cash and deposits	24,377	19,349	28,752	9,403
Interest-bearing debt	53,793	49,982	59,270	9,287
Borrowings	26,350	21,700	32,450	10,750
(Net Debt)	(1,972)	(2,350)	(3,697)	(1,346)
Lease obligation	27,443	28,282	26,820	-1,462
Shareholders' equity	47,544	50,249	50,431	181
Shareholder' equity ratio(%)	37.9%	39.3%	37.2%	-2.1%
Fixed assets to long-term liabilities ratio	88.6%	94.0%	87.3%	-6.7%

- As of the end of June 2025, total assets amounted to 135.7 billion yen, an increase of 7.9 billion yen compared to the end of the previous fiscal year.
- Shareholders' equity stood at 50.4 billion yen, with an equity ratio of 37.2%.
- The fixed asset to long-term capital ratio was 87.3%, maintaining an appropriate level.

I -7. Segment Profit and Loss

(Million yen)

	FY12/24 Q2			FY12/25 Q2			YoY		
	Net sales	(Share) (%)	Ordinary profit	Net sales	(Share) (%)	Ordinary profit	Net sales Change	Pct. change (%)	Ordinary profit Change
Restaurant Business	31,012	(42.7)	2,021	32,400	(41.1)	1,453	1,388	(4.5)	-568
(Overseas)	(—)	(—)	(—)	(308)	(0.4)	(-228)	(—)	(—)	(—)
Contract Food Service	23,531	(32.4)	1,242	25,392	(32.2)	1,073	1,860	(7.9)	-169
Hotel Business	16,139	(22.2)	1,933	19,365	(24.6)	2,703	3,226	(20.0)	769
Food Manufacturing Business	5,893	(8.1)	103	6,063	(7.7)	213	170	(2.9)	110
Other Business	164	(0.2)	248	156	(0.2)	465	-7	(-4.6)	216
Intersegment Eliminations	-4,106	(—)	—	-4,573	(—)	—	-466	(—)	—
Company-wide	—	(—)	-2,164	—	(—)	-2,552	—	(—)	-388
Total	72,633	(100.0)	3,386	78,805	(100.0)	3,356	6,172	(8.5)	-29

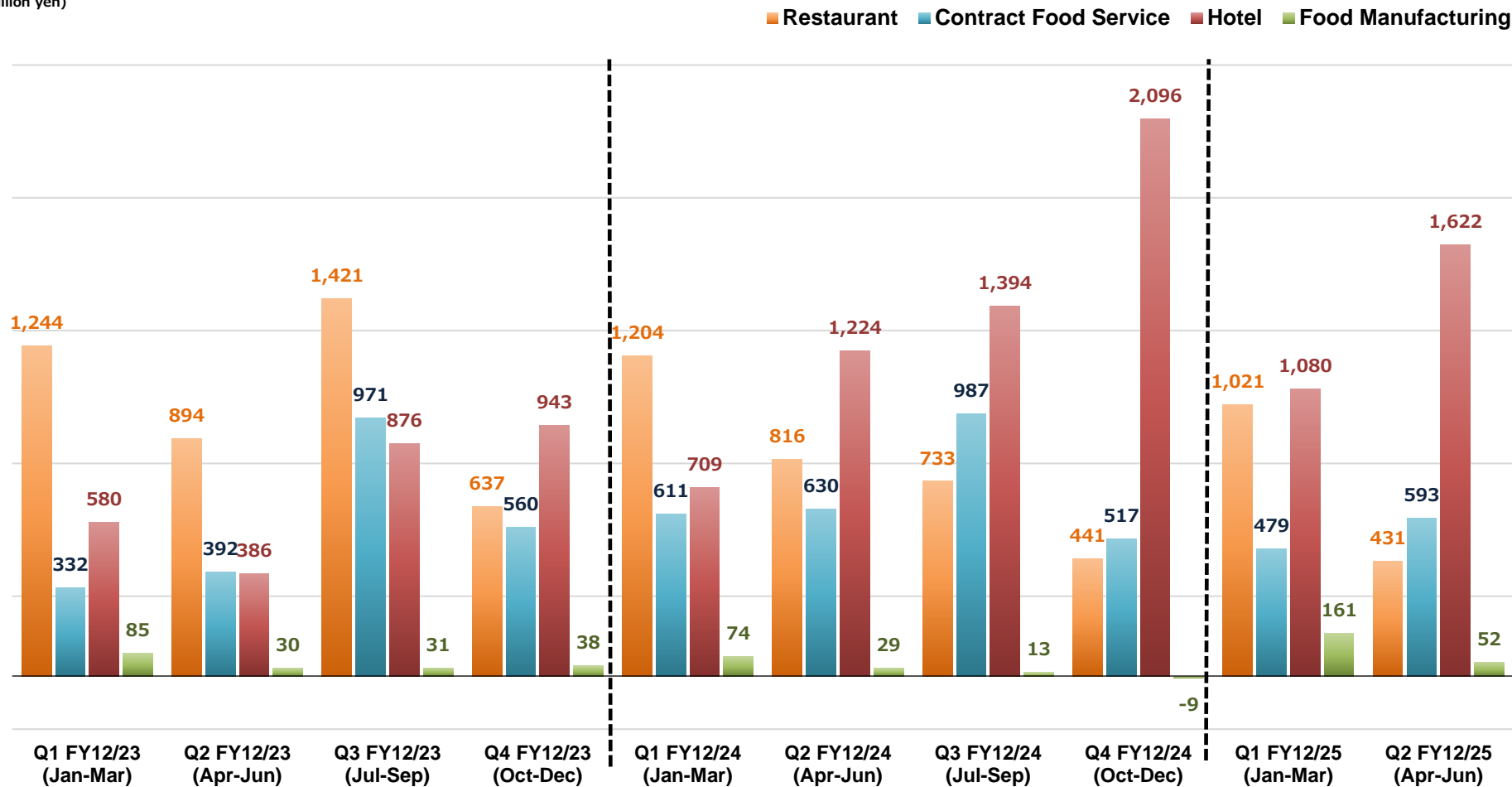
Note: Figures for overseas operations within the Restaurant Business segment have been included in the figures starting from the Q1 FY12/25.

- In the Restaurant Business and Contract Food Service segments, sales increased due to solid performance at existing stores. However, profit declined due to rising raw material costs and expenses related to new store openings both in Japan and overseas.
- In the Food Manufacturing segment, shipments to Group companies increased.
- The Hotel Business segment posted both higher sales and higher profits compared to the previous period.
- In the Other business segment, equity-method earnings from airline catering affiliates improved, resulting in higher profit compared to the prior period.
- Company-wide performance showed lower profit due to increased expenses related to digital transformation (DX) and marketing initiatives.

I -8. Quarterly Changes in Ordinary Profit by Core Segment

Quarterly Changes in Ordinary Profit by Core Segment

(Million yen)



- All four core segments—Restaurants, Contract Food Service, Hotel, and Food Manufacturing—recorded positive ordinary profit.
- In Q2 period (April to June), the Hotel business continued to grow, supported by strong inbound and domestic tourism demand.
- In the Restaurant business, profit was pressured by rising raw material costs, especially for rice, and increased expenses related to overseas store openings.
- In the Contract Food Service business, profit declined YoY (compared to April-June 2024) due to new store opening costs.

I -9. Profit and Loss by Core Business Line

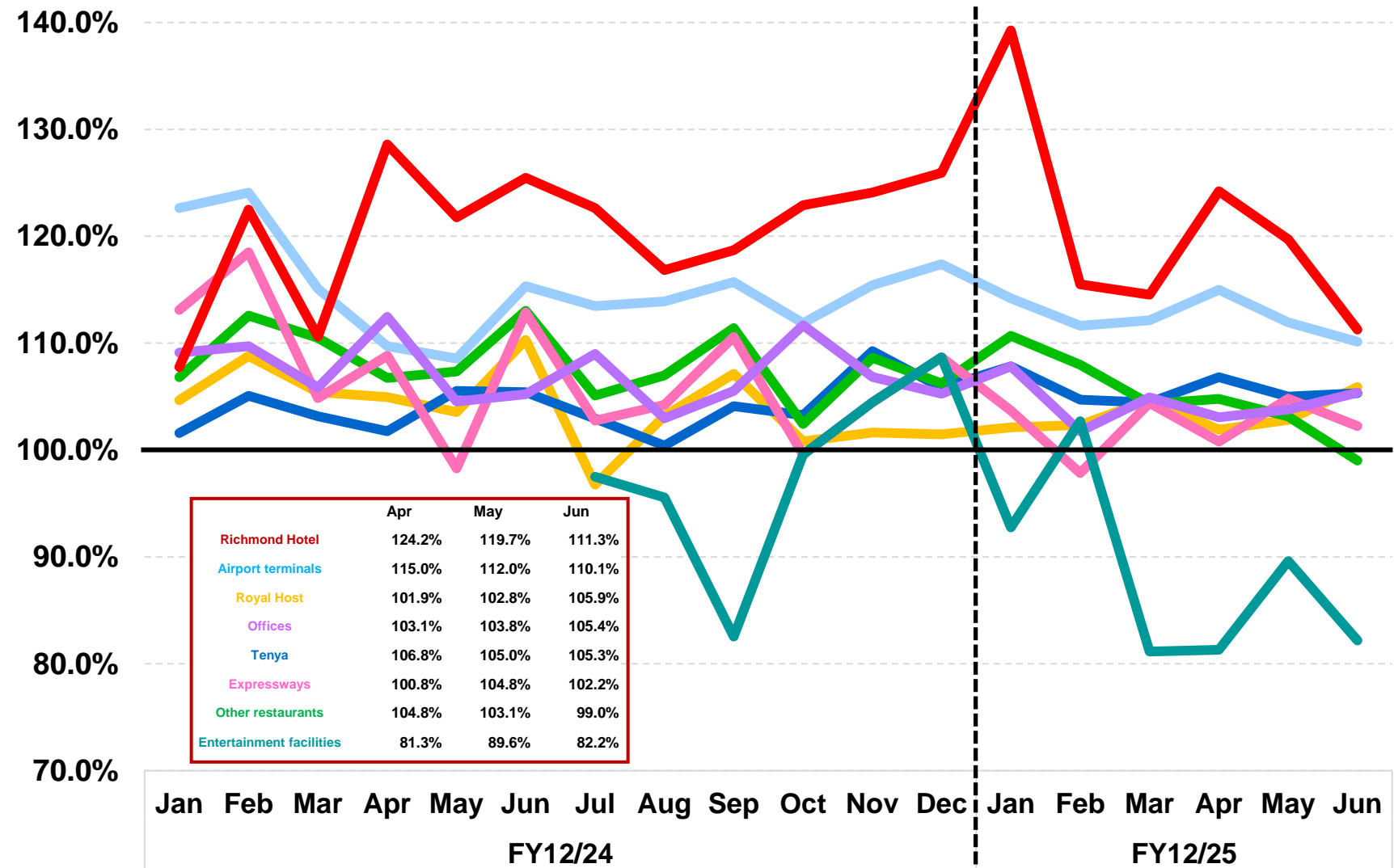
(Million yen)

		FY12/24 Q2		FY12/25 Q2		YoY	
		Net sales	Ordinary profit	Net sales	Ordinary profit	Net sales	Ordinary profit
Restaurant Business	Royal Host Business	20,832	1,640	21,561	1,740	728	100
	Tenya Business	5,584	409	5,931	358	347	-50
	Other Restaurants	4,594	390	4,906	-158	312	-548
	Restaurant Business Headquarter	0	-418	0	-488	0	-70
Total		31,012	2,021	32,400	1,453	1,388	-568
Contract Food Service	Airport terminals	4,838	425	5,695	576	856	150
	Expressways	11,381	459	11,769	371	388	-88
	Offices, etc.	5,221	504	6,093	370	872	-133
	Entertainment facilities	2,090	258	1,833	190	-256	-67
	Contract Food Service Business Headquarter	0	-406	0	-435	0	-29
Total		23,531	1,242	25,392	1,073	1,860	-169
Hotel Business	Richmond Hotel	16,139	2,260	19,365	3,134	3,226	873
	Hotel Business Headquarter	0	-326	0	-431	0	-104
Total		16,139	1,933	19,365	2,703	3,226	769
Food Manufacturing Business	Factories, Purchasing & Logistics, etc.	5,893	222	6,063	351	170	129
	Food Manufacturing Business Headquarter	0	-118	0	-137	0	-19
Total		5,893	103	6,063	213	170	110

- Thanks to robust tourism demand, both sales and profit increased at Richmond Hotels and airport terminal locations.
- Royal Host posted higher sales and profit, aided by successful price revisions.
- Tenya saw higher sales due to increased average spend per customer, but profit declined due to rising rice prices.
- Other restaurant businesses recorded a decline in profit, reflecting opening-related expenses in overseas markets.
- On-site dining services in offices, etc. also experienced lower profit due to increased costs associated with new store openings.

(Note)"Other Restaurants" and "Richmond Hotel" includes profits and losses of equity-method affiliates.

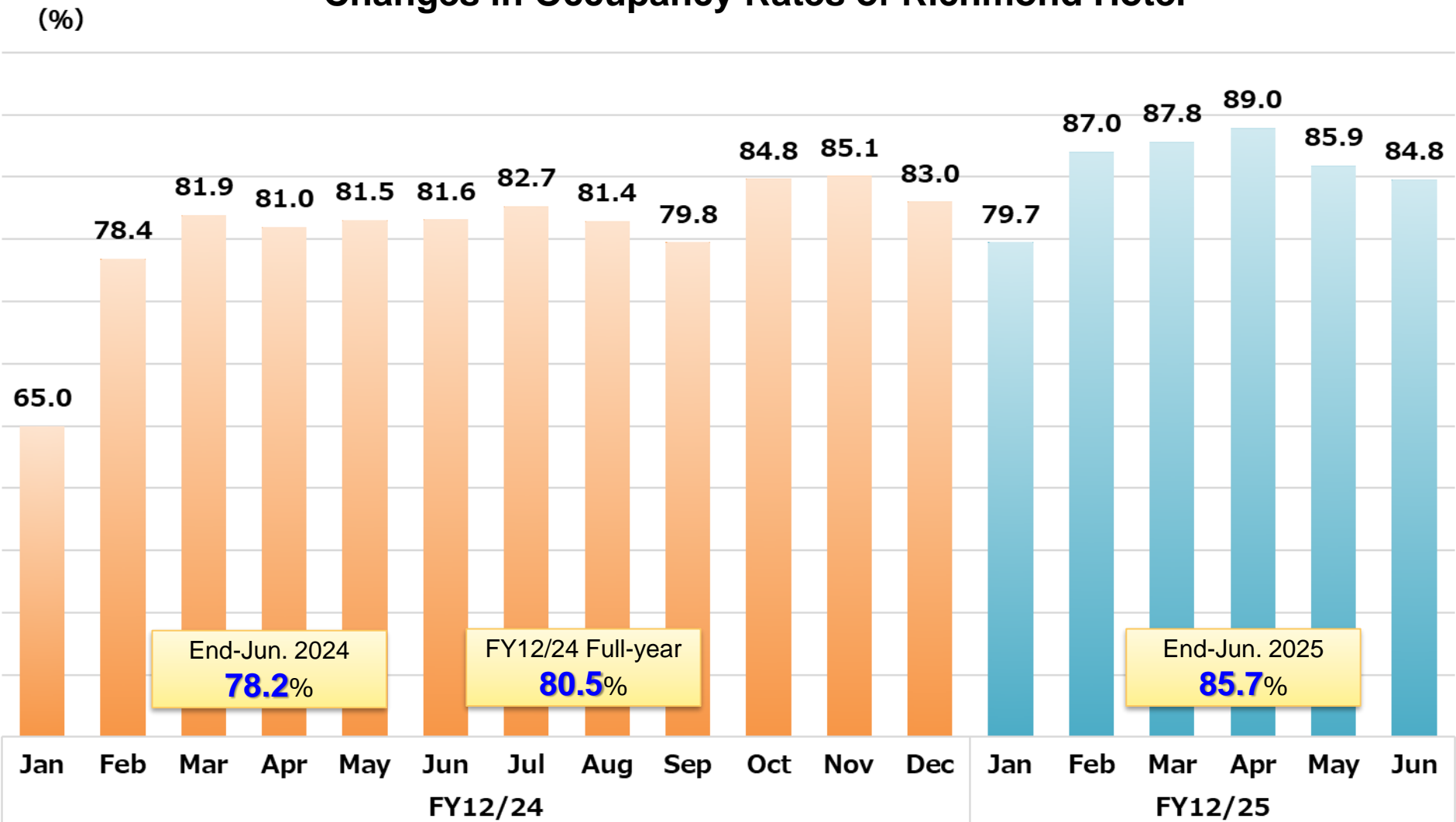
YoY Changes in Same-store Sales



- In Q2 period (April to June), we successfully captured strong inbound and domestic tourism demand, with Richmond Hotels and airport terminal locations performing well.
- Tenya has exceeded the previous year's performance for 52 consecutive months since March 2021.
- Royal Host, on-site dining service in offices, etc., and highway service area stores also posted growth compared to the previous quarter.
- In contrast, locations inside entertainment facilities experienced a decline due to a reactionary drop following facilities' opening-driven demand.

I -11. Richmond Hotel: Room Occupancy Rates

Changes in Occupancy Rates of Richmond Hotel



- For H1 of FY12/25 (January to June), the average occupancy rate was 85.7%, a 7.5-point increase from 78.2% in the same period of FY12/24.
- Strong performance was seen at properties in Fukuoka and the Tokyo metropolitan area.
- The latest inbound guest ratio (foreign visitors staying at Company-operated hotels) was 32% in April, 29% in May, and 25% in June, resulting in a cumulative average of 28% for H1 of the year (January to June).

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II -1. YoY Changes in Same-store Sales

FY12/25

		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	* Quarterly figure				* Cumulative total figure at quarter-end			(%)
														Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Jan.-Jun.	Jan.-Sep.	FY12/25
														Total	Total	Total	Total	Total	Total	Total	Full-year
Restaurant Business	Royal Host	102.1	102.3	104.7	101.9	102.8	105.9	—	—	—	—	—	—	103.1	103.5	—	—	103.1	103.3	—	—
	Tenya	107.8	104.7	104.4	106.8	105.0	105.3	—	—	—	—	—	—	105.6	105.7	—	—	105.6	105.7	—	—
	Other Restaurants	110.7	108.0	104.3	104.8	103.1	99.0	—	—	—	—	—	—	107.4	102.4	—	—	107.4	104.9	—	—
	Total	104.1	103.4	104.4	103.1	103.2	104.9	—	—	—	—	—	—	104.0	103.7	—	—	104.0	103.9	—	—
Contract Food Service	Airport terminals	114.2	111.6	112.1	115.0	112.0	110.1	—	—	—	—	—	—	112.7	112.4	—	—	112.7	112.5	—	—
	Expressways	103.7	97.8	104.4	100.8	104.8	102.2	—	—	—	—	—	—	102.3	102.7	—	—	102.3	102.5	—	—
	Offices	107.8	101.7	105.2	103.1	103.8	105.4	—	—	—	—	—	—	105.0	104.0	—	—	105.0	104.5	—	—
	Entertainment facilities	92.8	102.7	81.1	81.3	89.6	82.2	—	—	—	—	—	—	90.8	84.3	—	—	90.8	87.7	—	—
	Total	105.7	102.4	103.5	102.3	104.8	102.6	—	—	—	—	—	—	103.9	103.3	—	—	103.9	103.6	—	—
Hotel Business	Richmond Hotel	139.6	115.4	114.4	124.3	120.3	111.4	—	—	—	—	—	—	121.4	118.9	—	—	121.4	120.1	—	—
	Hotel Restaurants	131.1	117.0	116.8	122.6	106.4	107.7	—	—	—	—	—	—	120.9	112.0	—	—	120.9	115.9	—	—
	Total	139.3	115.5	114.5	124.2	119.7	111.3	—	—	—	—	—	—	121.4	118.6	—	—	121.4	120.0	—	—
3-business total		111.3	106.1	106.5	108.2	107.8	105.7	—	—	—	—	—	—	107.9	107.3	—	—	107.9	107.6	—	—

FY12/24

		Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	* Quarterly figure				* Cumulative total figure at quarter-end			(%)
														Jan.-Mar.	Apr.-Jun.	Jul.-Sep.	Oct.-Dec.	Jan.-Mar.	Jan.-Jun.	Jan.-Sep.	FY12/24
														Total	Total	Total	Total	Total	Total	Total	Full-year
Restaurant Business	Royal Host	104.6	108.8	105.4	104.9	103.5	110.3	96.8	103.2	107.1	100.8	101.6	101.5	106.2	106.1	102.2	101.3	106.2	106.2	104.8	103.9
	Tenya	101.6	105.1	103.2	101.8	105.5	105.4	102.9	100.4	104.1	103.3	109.3	105.8	103.2	104.2	102.5	106.1	103.2	103.7	103.3	104.0
	Other Restaurants	106.8	112.6	110.5	106.7	107.3	113.0	105.1	107.0	111.4	102.4	108.6	106.2	109.9	108.9	107.7	105.7	109.9	109.4	108.8	108.0
	Total	104.3	108.5	103.1	104.6	104.4	109.7	99.0	103.2	107.1	101.5	104.0	102.9	105.1	106.1	103.0	102.8	105.1	105.6	104.7	104.2
Contract Food Service	Airport terminals	122.6	124.1	115.1	109.7	108.6	115.3	113.5	113.9	115.7	111.9	115.4	117.4	120.4	111.1	114.3	114.9	120.4	115.6	115.1	115.0
	Expressways	113.1	118.5	104.9	108.8	98.3	112.9	102.8	104.2	110.6	99.6	104.5	108.7	106.5	111.3	105.7	105.5	111.3	108.4	107.3	106.5
	Offices	109.1	109.7	105.8	112.5	104.5	105.2	109.0	103.0	105.5	111.7	106.8	105.3	109.3	107.3	105.9	107.9	109.3	108.3	107.4	107.6
	Entertainment facilities	—	—	—	—	—	—	97.5	95.6	82.5	87.3	93.4	105.7	—	—	92.1	95.9	—	—	92.1	94.0
	Total	114.3	117.9	107.5	109.8	101.6	111.5	105.6	104.9	107.6	103.1	106.0	109.5	112.7	107.2	105.9	106.2	112.7	109.9	112.6	107.7
Hotel Business	Richmond Hotel	106.1	121.2	108.9	127.0	120.1	123.6	121.4	114.5	118.7	122.8	122.6	125.0	112.0	123.5	118.0	123.4	112.0	117.8	117.9	119.4
	Hotel Restaurants	168.8	170.6	184.3	182.8	177.3	187.9	161.1	196.1	116.9	125.6	169.1	157.1	175.2	182.4	160.6	150.9	175.2	179.0	172.1	165.8
	Total	107.8	122.5	110.6	128.6	121.8	125.5	122.6	116.8	118.7	122.9	124.1	125.9	113.6	125.2	119.2	124.3	113.6	119.4	119.4	120.7
3-business total		108.0	114.5	106.1	111.5	107.2	113.7	106.1	106.7	109.9	107.2	109.6	110.0	109.2	110.7	107.5	108.9	109.2	110.0	109.1	109.0

II -2. Number of Stores

	FY12/24 Full-year results				FY12/25 Q2			
	Open/ format change	Closure/ format change	Change	End of term	Open/ format change	Closure/ format change	Change	End of term
Total of Restaurant Business	19	-19		468	9	-13	-4	464
Royal Host	7	-1	6	228		-3	-3	225
Directly managed (domestic)	2	-1	1	215		-3	-3	212
FC (domestic) *1	3		3	11				11
Directly managed (overseas)	2		2	2				2
Tenya	7	-12	-5	177	1	-8	-7	170
Directly managed (domestic)	3	-6	-3	113	1		1	114
FC (domestic) *1	1	-2	-1	33				33
FC (overseas)	3	-4	-1	31		-8	-8	23
Shakey's	1	-2	-1	16		-2	-2	14
Directly managed	1	-2	-1	11		-2	-2	9
FC, etc.				5				5
Sizzler				10	1		1	11
Royal Garden Café				6	1		1	7
Other Specialty Restaurants	4	-4		31	6		6	37
Directly managed (Japan)		-4	-4	23	3		3	26
FC, etc. (Japan)	4		4	8	1		1	9
Directly managed (Overseas)					2		2	2
Total of Contract Food Service	8	-6	2	170	6	-5	1	171
Restaurants, stores, etc. at airports	5	-1	4	41	3	-2	1	42
Restaurants and stores on expressways				22				22
Directly managed				20				20
FC, etc.				2				2
Employee cafeterias		-3	-3	50		-1	-1	49
Sports & convention facilities	3		3	11	3		3	14
Entertainment facilities				1				1
Senior homes/healthcare		-1	-1	26		-2	-2	24
Restaurants, etc. at department stores		-1	-1	19				19
Total of Hotel Business				52	1		1	53
Richmond Hotel, etc.				47	1		1	48
Directly managed				43	1		1	44
FC, etc.				4				4
Restaurants directly managed by hotels				5				5
Group total *1	24	-25	-1	675	16	-18	-2	673
Directly managed	20	-19	1	600	15	-10	5	605
FC, etc. *1	4	-6	-2	75	1	-8	-7	68
(Overseas FC stores)	3	-4	-1	31		-8	-8	23

*1: Includes franchise stores within the Group. However, 5 domestic franchise stores of Tenya and 10 domestic franchise stores of Royal Host are counted under other segments and therefore excluded from the Group total to avoid duplication.

- The forward-looking statements such as earnings forecasts contained in this document are based on information currently available to the Company and certain assumptions that are deemed reasonable. Actual results may differ materially due to various factors.

For inquiries regarding this document:

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Hospitality Restaurant
Royal Host



Shakey's

 *Royal Garden Cafe*



 Mrs. Elizabeth Muffin



Richmond Hotel

THE **B**ASEMENT



ROYAL

Bringing joy to communities and society through food and hospitality