

Financial Results for the Fiscal Year Ended December 31, 2025

February 16, 2026

(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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- Full-year 2025 (January–December) net sales, operating profit, and ordinary profit reached record highs.
- Ordinary profit and net profit exceeded initial forecasts, and the projected dividend per share was revised upward.
- The Hotel Business achieved significant sales and profit growth, driven by robust domestic and international tourism demand.
- The Restaurant Business (Overseas) commenced new store openings in Vietnam and the U.S.
- The Restaurant (Domestic) and Contract Food Service Businesses saw a slight YoY decrease in ordinary profit due to rising raw material costs and store opening expenses.
- The full-year 2026 forecast is projected to reach new record highs for net sales, operating profit, and ordinary profit.

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II - 1 . Profit and Loss

- ✓ Net sales increased, driven by growth from existing stores resulting from selling price revisions and other factors, together with contributions from new store openings.
- ✓ Ordinary profit increased despite higher raw material costs and initial expenses associated with new store openings, supported by steady existing-store net sales and an increase in equity-method earnings.

(Million yen)

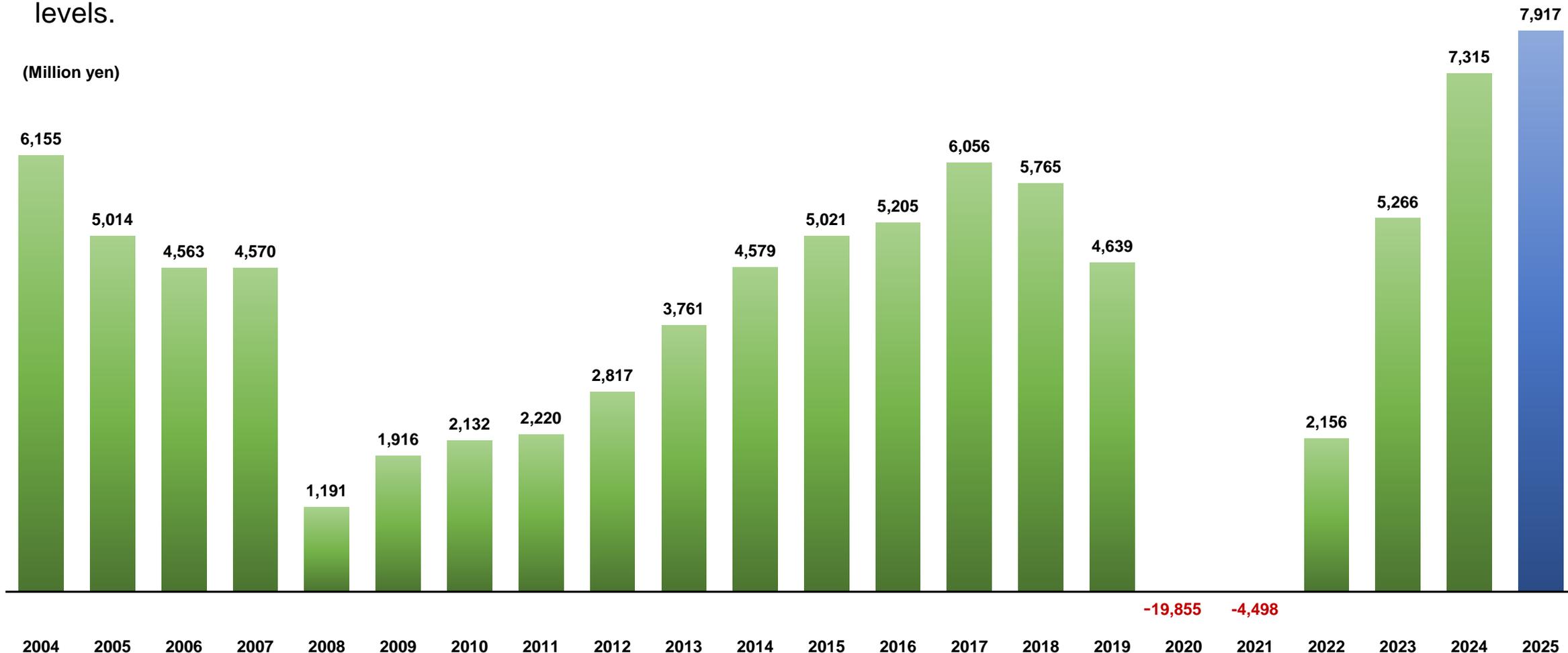
| | FY12/24 | FY12/25 | Pct. Change | Pct. Change | FY12/25 Full-year Forecasts | Progress rate |
|---|---------|----------------|-------------|-------------|-----------------------------|---------------|
| Net sales | 152,150 | 165,495 | +13,344 | +8.8% | 166,600 | 99.3% |
| Operating profit | 7,366 | 7,685 | +319 | +4.3% | 7,800 | 98.5% |
| (Ratio to sales) | (4.8%) | (4.6%) | (-0.2%) | | (4.7%) | — |
| Ordinary profit | 7,315 | 7,917 | +601 | +8.2% | 7,800 | 101.5% |
| (Ratio to sales) | (4.8%) | (4.8%) | (-0.0%) | | (4.7%) | — |
| Profit attributable to owners of parent | 5,926 | 5,660 | -265 | -4.5% | 4,850 | 116.7% |
| (Ratio to sales) | (3.9%) | (3.4%) | (-0.5%) | | (2.9%) | — |
| EBITDA | 15,193 | 17,402 | +2,209 | +14.5% | — | — |
| (Ratio to sales) | (10.0%) | (10.5%) | (+0.5%) | | — | — |
| ROE | 12.1% | 10.8% | -1.3% | — | — | — |
| Dividend per share | ¥32 | ¥35 | +¥3 | — | ¥32 | — |

(Note 1) Dividends for common shares as of the end of FY12/25 are scheduled to be approved at the Ordinary General Meeting of Shareholders on March 26, 2026.

(Note 2) The Company conducted a 2-for-1 stock split of its common shares, effective January 1, 2026. The forecasted dividend per share for FY12/25 is presented on a pre-stock split basis.

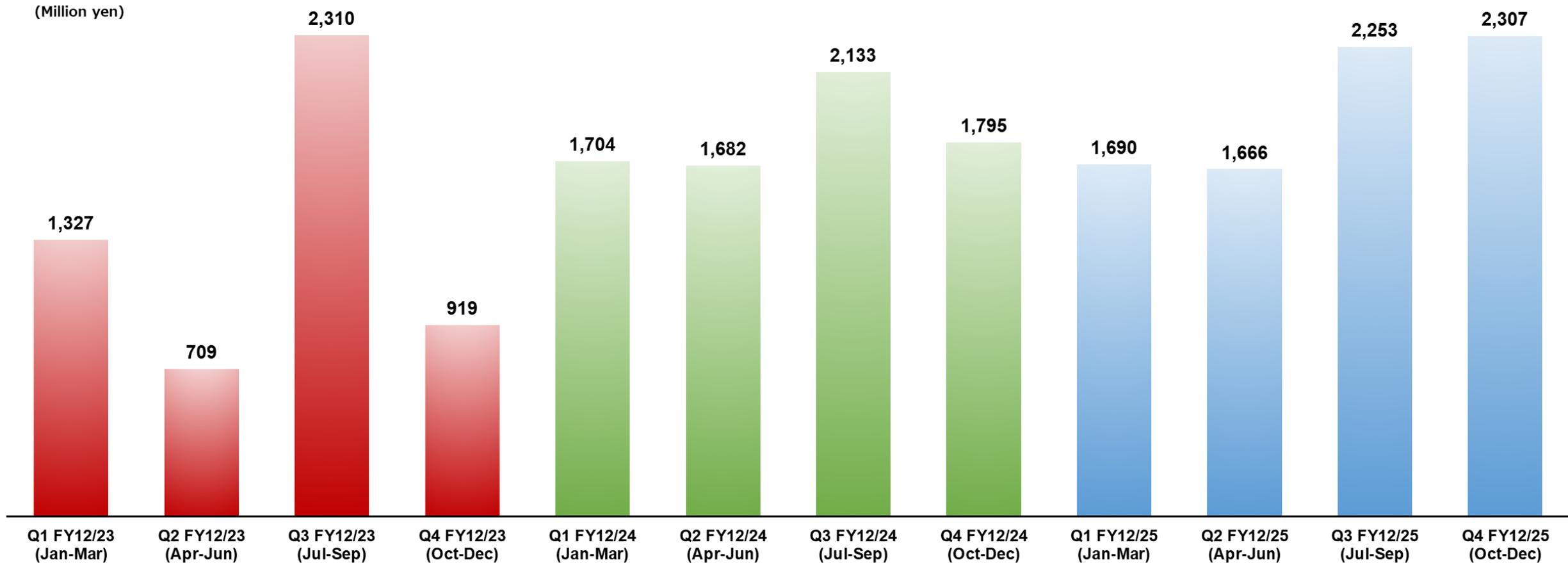
II - 2. Changes in Ordinary Profit

- ✓ For full-year 2025, the Hotel Business achieved a significant increase in profits, by capturing domestic and international tourism demand. Together with growth in equity-method earnings at the in-flight catering company, this resulted in ordinary profit exceeding the prior year and reaching a new record high.
- ✓ Profitability improved due to factors such as selling price revisions, and profit levels substantially exceeded pre-COVID-19 levels.



II - 3 . Quarterly Changes in Ordinary Profit

- ✓ Ordinary profit for the fourth quarter of 2025 (October–December) reached a record high for the fourth quarter.
- ✓ During the fourth quarter, profit levels increased due to growth in the Hotel Business, altering the seasonal pattern of profit by quarter and exceeding the level achieved in the third quarter (the summer peak season).



II - 4 . Balance Sheet

- ✓ As of the end of 2025, total assets amounted to 139.7 billion yen, an increase of 12.0 billion yen from the end of the previous fiscal year. The shareholders' equity ratio was 39.2%, and the fixed asset to long-term capital ratio was 96.4%.
- ✓ Intangible assets, mainly goodwill, increased due to the consolidation of TABISUL Co., Ltd, while borrowings rose due to growth investments in Japan and overseas.

(Million yen)

| | FY12/24 End-FY | FY12/25 End-FY | Change | | FY12/24 End-FY | FY12/25 End-FY | Change |
|----------------------------------|-------------------|---------------------------|----------|---|-------------------|---------------------------|----------|
| Current assets | 36,154 | 36,974 | +819 | Liabilities | 77,263 | 84,281 | +7,017 |
| (Cash and deposits) | 19,349 | 19,554 | +204 | (Borrowings) | (21,700) | (26,500) | (+4,800) |
| Non-current assets | 91,584 | 102,789 | +11,204 | (Lease liabilities) | (28,282) | (26,964) | (-1,318) |
| Property, plant and equipment | 49,955 | 52,365 | +2,410 | | | | |
| (Leased assets) | (19,838) | (19,278) | (-560) | Net assets | 50,474 | 55,481 | +5,006 |
| Intangible assets | 16,833 | 22,293 | +5,460 | (Shareholders' equity) | (50,249) | (54,725) | (+4,475) |
| (Goodwill) | (4,931) | (8,769) | (+3,837) | | | | |
| (Rights to operate the facility) | (10,646) | (10,054) | (-591) | | | | |
| Investments and other assets | 24,795 | 28,129 | +3,333 | | | | |
| Total assets | 127,738 | 139,763 | +12,024 | Total liabilities and net assets | 127,738 | 139,763 | +12,024 |

(Ref.)

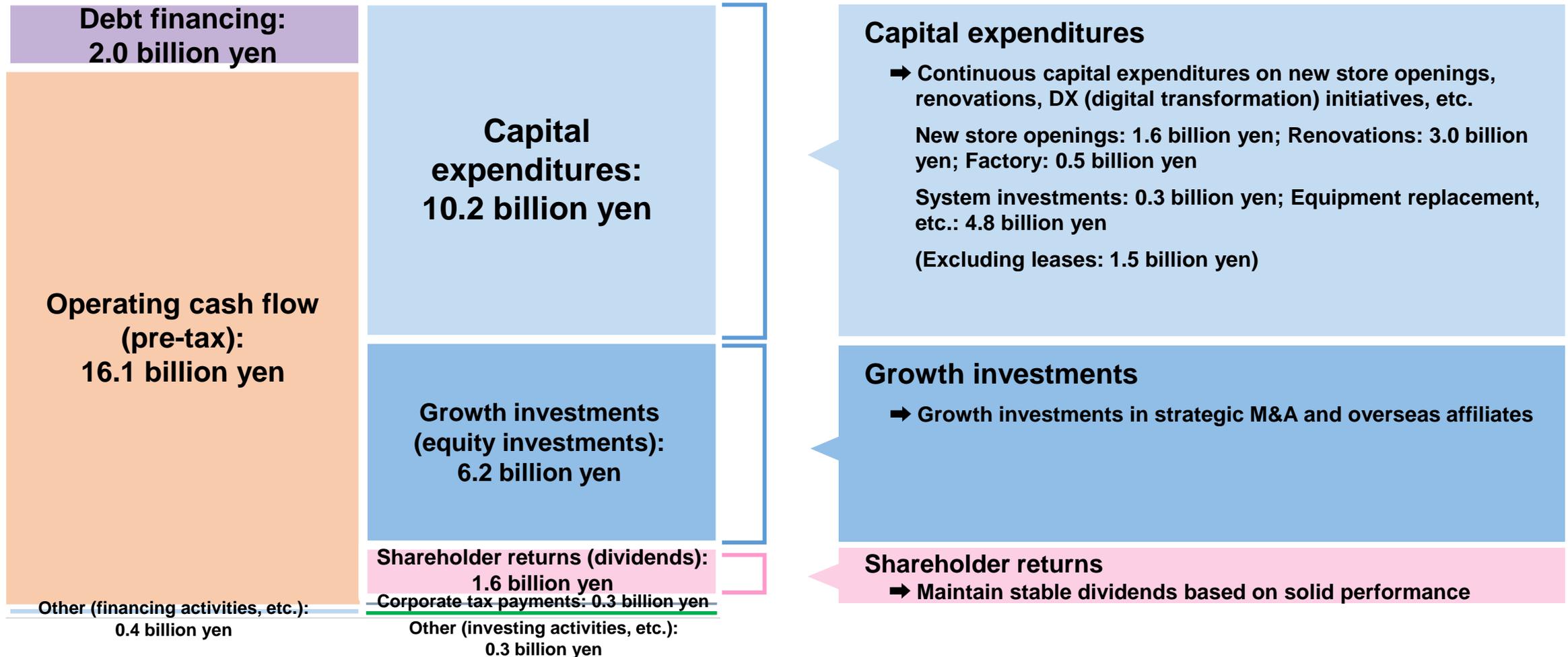
(Ref.)

| | | | | | | | |
|--|-------|--------------|-------|----------------------------|-------|--------------|-------|
| Fixed asset to long-term capital ratio | 94.0% | 96.4% | +2.4% | Shareholders' equity ratio | 39.3% | 39.2% | -0.2% |
|--|-------|--------------|-------|----------------------------|-------|--------------|-------|

- ✓ Operating cash flow and borrowings will be allocated to growth-oriented capital expenditures, M&A, equity investments in overseas subsidiaries, and shareholder returns.

CASH INFLOW

CASH OUTFLOW

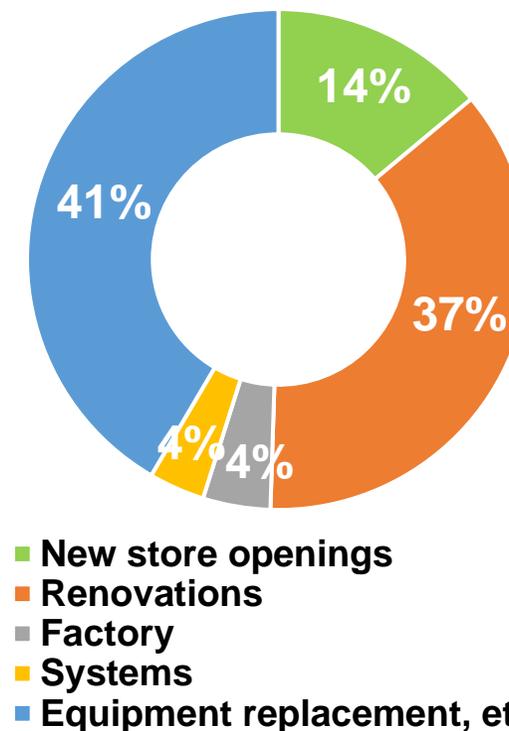


II - 6 . Capital Expenditures by Segment

| | FY12/25 Full Year Results | Breakdown |
|--|---------------------------|---|
| Restaurant Business | 5.51 billion yen | <ul style="list-style-type: none"> • New store openings: 1.08 billion yen • Renovations: 2.92 billion yen • Equipment replacement, etc. : 1.52 billion yen |
| (Overseas) | (220 million yen) | <ul style="list-style-type: none"> • New store openings: 220 million yen • Equipment replacement, etc.: 0 million yen |
| Contract Food Service Business | 1.09 billion yen | <ul style="list-style-type: none"> • New store openings: 370 million yen • Renovations: 390 million yen • Equipment replacement, etc.: 330 million yen |
| Hotel Business | 3.65 billion yen | <ul style="list-style-type: none"> • New store openings: 190 million yen • Renovations: 1.00 billion yen • Equipment replacement, etc. : 2.47 billion yen |
| Food Manufacturing Business | 550 million yen | <ul style="list-style-type: none"> • Factory: 510 million yen • Systems: 40 million yen |
| Other Business | 100 million yen | <ul style="list-style-type: none"> • Equipment replacement, etc. : 100 million yen |
| Company-wide * Business foundation development, etc. | 820 million yen | <ul style="list-style-type: none"> • Systems: 380 million yen • Equipment replacement, etc. : 440 million yen |
| Group total | 11.72 billion yen | |

| Three-Year Investment Plan (2025–2027) | Progress rate (FY12/25 Full Year) |
|--|-----------------------------------|
| 17.0 billion yen | 32.4% |
| (2.5 billion yen) | (8.7%) |
| 4.0 billion yen | 27.1% |
| 19.0 billion yen | 19.2% |
| 1.5 billion yen | 36.6% |
| — | — |
| 5.0 billion yen | 16.4% |
| 46.5 billion yen | 25.2% |

Breakdown of Capital Expenditures (FY12/25 Full Year)



* Capital expenditures represent increases in tangible and intangible fixed assets (including leases).

II - 7 . Segment Profit and Loss

- ✓ The Hotel Business achieved substantial increases in sales and profits compared with both the prior year and the full-year plan, driven by higher occupancy rates and increases in average daily rate (ADR). The ordinary profit target for the final year of the Medium-Term Management Plan (FY12/27) was achieved in the first year of the plan.
- ✓ Other Business recorded profit growth, supported by an increase in equity-method earnings from the in-flight catering company.

(Million yen)

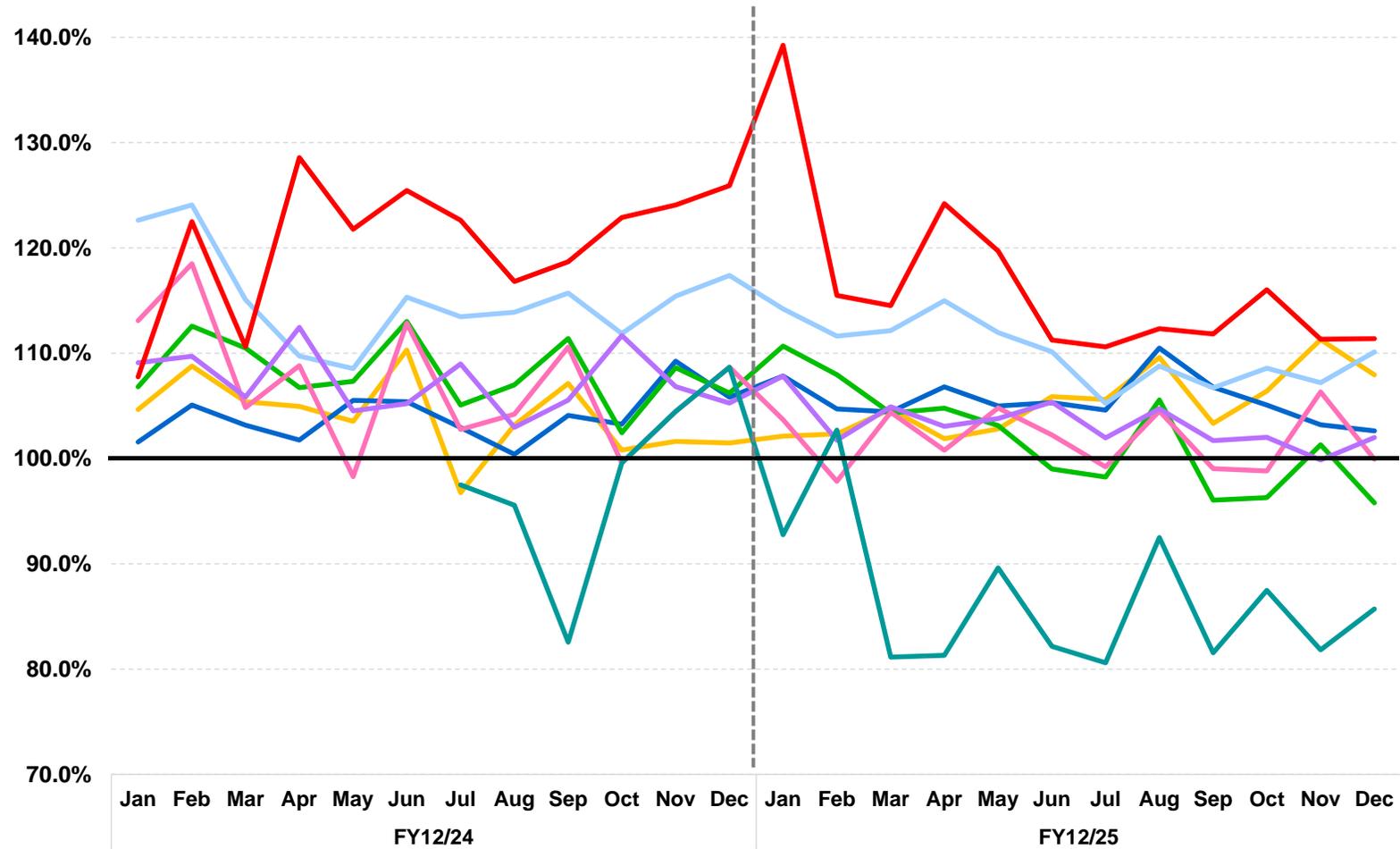
| | FY12/24 | | FY12/25 | | YoY | | | | FY12/25 Full-year Plan | | Vs. Full-year Plan | |
|--------------------------------|-----------|-----------------|----------------|-----------------|-----------|-------------|-----------------|-------------|------------------------|-----------------|------------------------------|------------------------------------|
| | Net sales | Ordinary profit | Net sales | Ordinary profit | Net sales | | Ordinary profit | | Net sales | Ordinary profit | Net sales (Progress rate) | Ordinary profit (Progress rate) |
| | | | | | Change | Pct. Change | Change | Pct. Change | | | | |
| Restaurant Business | 63,034 | 3,197 | 66,844 | 2,337 | +3,810 | +6.0% | -859 | -26.9% | 68,500 | 3,450 | 97.6% | 67.7% |
| (Japan) | (63,034) | (3,197) | (66,088) | (3,156) | (+3,054) | +4.8% | (-40) | -1.3% | (66,800) | (3,800) | (98.9%) | (83.1%) |
| (Overseas) | (-) | (-) | (755) | (-819) | (+755) | (-) | (-819) | (-) | (1,700) | (-350) | (44.4%) | (-) |
| Contract Food Service Business | 49,789 | 2,747 | 53,364 | 2,656 | +3,575 | +7.2% | -91 | -3.3% | 54,000 | 3,200 | 98.8% | 83.0% |
| Hotel Business | 35,072 | 5,424 | 41,416 | 6,849 | +6,344 | +18.1% | +1,424 | +26.3% | 40,100 | 6,250 | 103.3% | 109.6% |
| Food Manufacturing Business | 12,473 | 107 | 12,955 | 452 | +482 | +3.9% | +345 | +320.7% | 12,500 | 200 | 103.6% | 226.5% |
| Other Business | 327 | 601 | 316 | 973 | -11 | -3.4% | +371 | +61.7% | 400 | 700 | 79.0% | 139.1% |
| Intersegment Eliminations | -8,546 | - | -9,403 | - | -856 | - | - | - | -8,900 | - | - | - |
| Company-wide | - | -4,763 | - | -5,351 | - | - | -587 | - | - | -6,000 | - | - |
| Total | 152,150 | 7,315 | 165,495 | 7,917 | +13,344 | +8.8% | +601 | +8.2% | 166,600 | 7,800 | 99.3% | 101.5% |

(Note 1) Figures for overseas operations within the Restaurant Business segment have been included in the figures starting from the Q1 FY12/25.

(Note 2) Following the consolidation of TABISUL Co., Ltd as a subsidiary, its results have been included in the Food Manufacturing Business starting from Q4 FY12/25.

II - 8 . YoY Changes in Same-store Sales

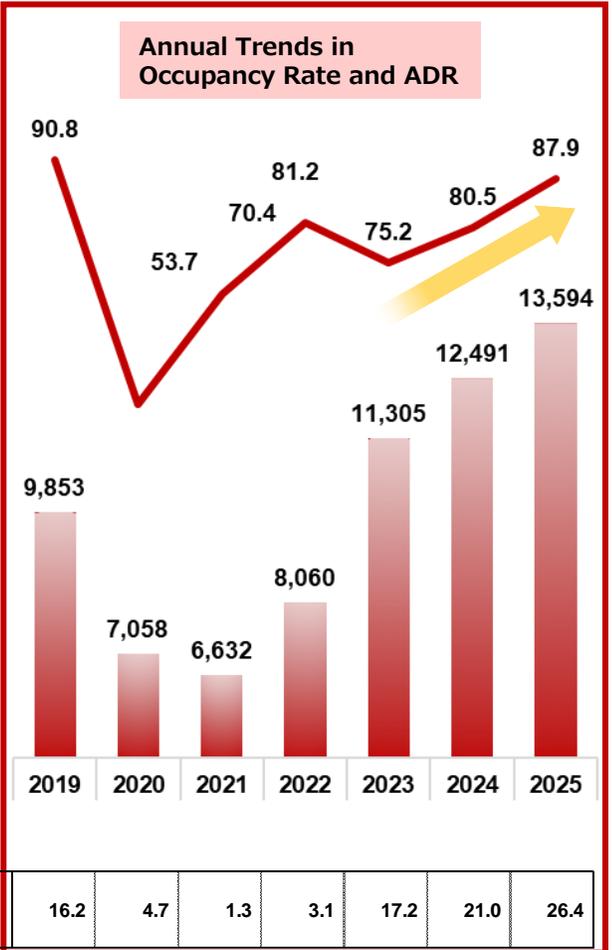
- ✓ With strong domestic and inbound tourism demand, Richmond Hotels and Airport Terminals continued to perform well.
- ✓ Sales in Tenya exceeded the previous year's results for 58 consecutive months (since March 2021), and Royal Host for 17 consecutive months (since August 2024). Sales at entertainment facilities declined following a pullback after the initial boost from new store openings.



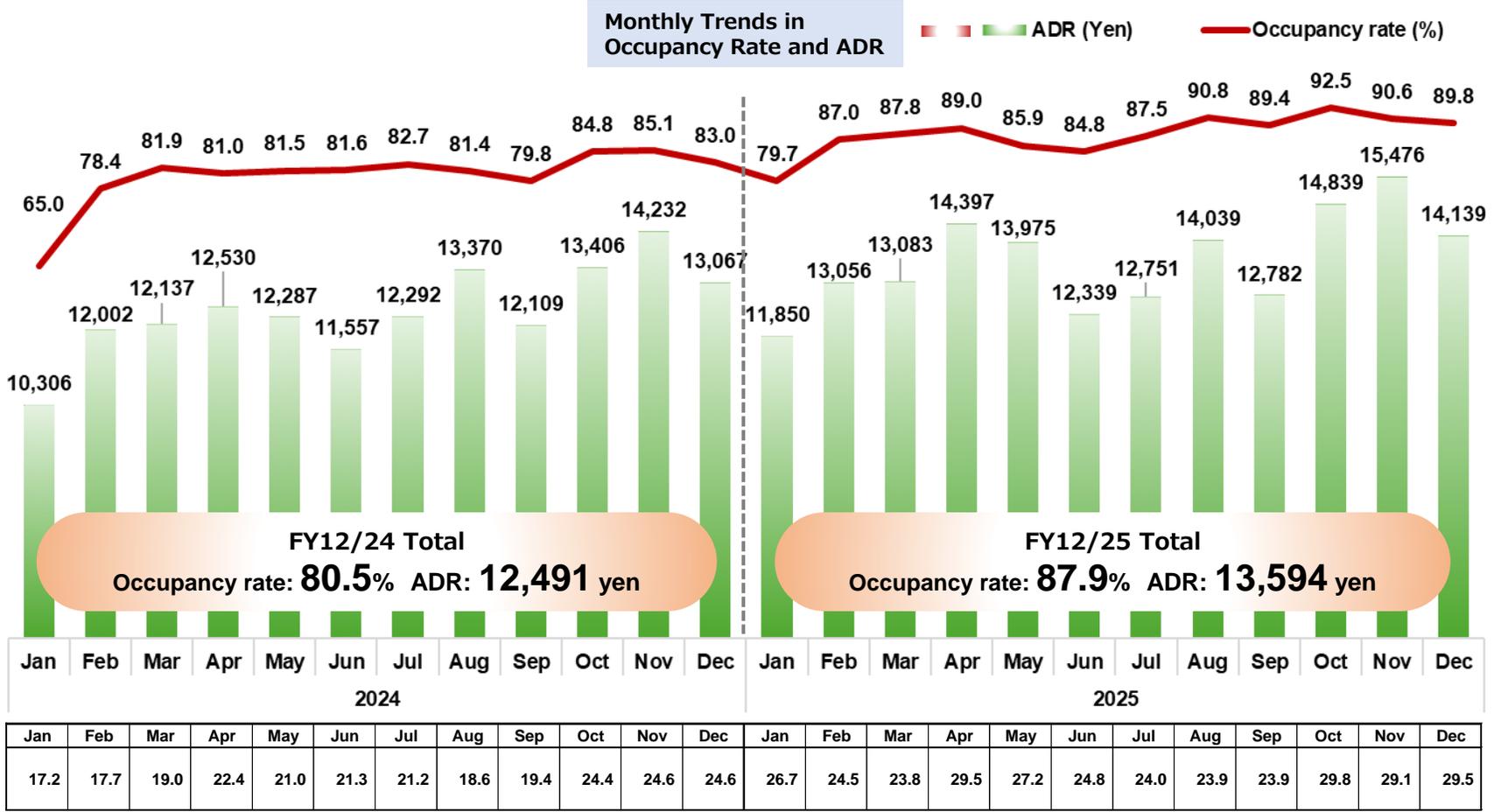
| | Oct | Nov | Dec |
|---------------------------------|---------------|---------------|---------------|
| Richmond Hotel | 116.0% | 111.3% | 111.4% |
| Airport terminals | 108.6% | 107.2% | 110.1% |
| Royal Host | 106.4% | 111.3% | 108.0% |
| Tenya | 105.1% | 103.2% | 102.6% |
| Offices | 102.0% | 99.9% | 102.0% |
| Expressways | 98.8% | 106.3% | 99.9% |
| Other restaurants | 96.3% | 101.3% | 95.8% |
| Entertainment facilities | 87.5% | 81.8% | 85.7% |

II - 9 . Occupancy Rate and ADR of Directly Operated Hotels

- ✓ The overall occupancy rate at directly operated hotels was 87.9%, and the average daily rate (ADR) was 13,594 yen. Driven also by a higher ratio of inbound guests, occupancy rose 7.4ppt. YoY, and ADR increased by 1,103 yen.
- ✓ The impact of travel restrictions from China to Japan was minimal during year-end operations, and demand from other countries and regions remained robust.



| Ratio of inbound guests (%) | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
|-----------------------------|------|------|------|------|------|------|------|
| | 16.2 | 4.7 | 1.3 | 3.1 | 17.2 | 21.0 | 26.4 |



FY12/24 Total
Occupancy rate: **80.5%** ADR: **12,491** yen

FY12/25 Total
Occupancy rate: **87.9%** ADR: **13,594** yen

* Directly operated hotels: 43 Richmond Hotels and 1 THE BASEMENT HOTEL.

To expand the investor base and improve stock liquidity by reducing the investment unit through a stock split

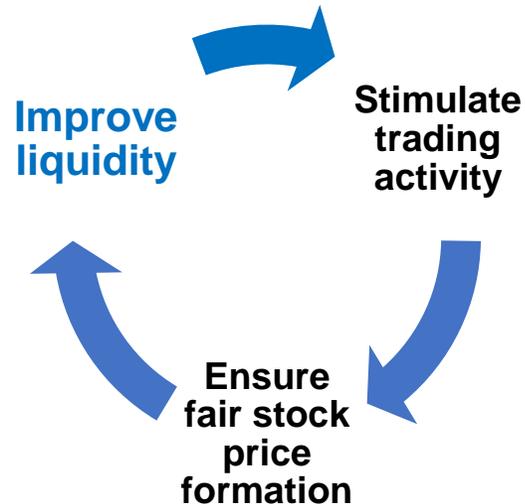
➤ Record Date: December 31, 2025

*Due to a holiday of the shareholder registry administrator, the effective record date is December 30

➤ Effective Date: January 1, 2026

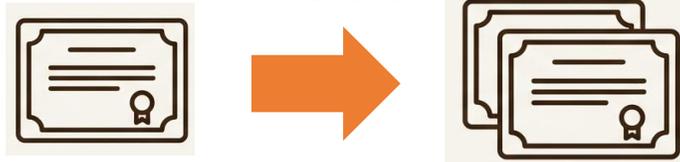
Purpose of the Stock Split

Create an environment more accessible to individual investors by lowering the minimum investment amount



Mechanism of the Stock Split

Each share will be split into two shares



100 shares

200 shares

While the number of shares held will double, the value per share will be adjusted accordingly. As a result, the total value of assets held and the substantive value of shareholder benefits will remain unchanged.

Value Provided

Substantive maintenance of shareholder benefit value

Ongoing opportunities to experience group services



We will continue to provide ongoing opportunities for shareholders to experience the Royal Group's high-quality services through dining and accommodation.

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III- 1 . Consolidated Business Forecasts for FY12/26 *fine food is our business* **ROYAL**

- ✓ Net sales and ordinary profit are expected to reach new record highs for the third consecutive year, with the ordinary profit target of 10.0 billion yen for the final year of the Medium-Term Management Plan (FY12/27) within sight.
- ✓ Even after factoring in profit-reducing factors totaling approximately 2.9 billion yen—including a 2.2 billion yen increase in raw material costs and a 0.7 billion yen increase in DX (digital transformation) initiatives and marketing expenses—an increase in profit is expected compared with the previous fiscal year.

(Million yen)

| | FY12/25 | FY12/26 Full-year Plan | Change | Pct. Change |
|---|----------------|-------------------------------|---------|-------------|
| Net sales | 165,495 | 174,800 | +9,304 | +5.6% |
| Operating profit | 7,685 | 8,950 | +1,264 | +16.4% |
| (Ratio to sales) | (4.6%) | (5.1%) | (+0.5%) | |
| Ordinary profit | 7,917 | 8,800 | +882 | +11.1% |
| (Ratio to sales) | (4.8%) | (5.0%) | (+0.2%) | |
| Profit attributable to owners of parent | 5,660 | 5,700 | +39 | +0.7% |
| (Ratio to sales) | (3.4%) | (3.3%) | (-0.2%) | |
| Dividend per share | ¥17.50 | ¥17.50 | +¥0 | — |

(Note) The Company conducted a 2-for-1 stock split of its common shares, effective January 1, 2026.

The forecasted dividends per share for FY12/25 and FY12/26 are presented on a post-stock split basis.

III-2. Forecast by Segment for FY12/26

(Million yen)

| | FY12/25 | | FY12/26 | | YoY | | | |
|--------------------------------|----------------|-----------------|----------------|-----------------|-----------|---------------|-----------------|---------------|
| | Net sales | Ordinary profit | Net sales | Ordinary profit | Net sales | | Ordinary profit | |
| | | | | | Change | (Pct. Change) | Change | (Pct. Change) |
| Restaurant Business | 66,844 | 2,337 | 72,300 | 4,000 | +5,455 | +8.2% | +1,662 | +71.1% |
| (Japan) | (66,088) | (3,156) | (70,400) | (4,300) | (+4,311) | +6.5% | (+1,143) | +36.2% |
| (Overseas) | (755) | (-819) | (1,900) | (-300) | (+1,144) | +151.4% | (+519) | -% |
| Contract Food Service Business | 53,364 | 2,656 | 53,000 | 2,900 | -364 | -0.7% | +243 | +9.2% |
| Hotel Business | 41,416 | 6,849 | 43,800 | 7,100 | +2,383 | +5.8% | +250 | +3.7% |
| Food Manufacturing Business | 12,955 | 452 | 15,400 | 200 | +2,444 | +18.9% | -252 | -55.8% |
| Other Business | 316 | 973 | 400 | 900 | +83 | +26.4% | -73 | -7.6% |
| Intersegment Eliminations | -9,403 | - | -10,100 | - | -696 | - | - | - |
| Company-wide | - | -5,351 | - | -6,300 | - | - | -948 | - |
| (System-related expenses) | - | (-1,789) | - | (-2,300) | - | - | (-511) | - |
| Total | 165,495 | 7,917 | 174,800 | 8,800 | +9,304 | +5.6% | +882 | +11.1% |

- ✓ The Hotel Business plans to enhance accommodation value at existing hotels through renovations and other initiatives, while also opening new hotels under new business formats.
- ✓ The Contract Food Service Business plans to leverage its expertise in restaurant operations to secure new store management contracts.
- ✓ The Restaurant Business plans to improve overseas profitability through the expansion of directly operated stores in Vietnam. Domestically, it will advance a high value-added strategy to address persistently high raw material costs.
- ✓ Same-store sales (combined total of the Restaurant, Contract Food Service, and Hotel Businesses) are projected at 103% YoY.

- 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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<https://www.royal-holdings.co.jp>

Hospitality Restaurant
Royal Host



Shakey's

 *Royal Garden Cafe*



 Mrs. Elizabeth Muffin



THE **B**ASEMENT



ROYAL

Bringing joy to communities and society through food and hospitality