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Axial RETAILING

FINANCIAL INFORMATION

FOR THE SIX-MONTH PERIOD ENDED SEPTEMBER 30, 2025

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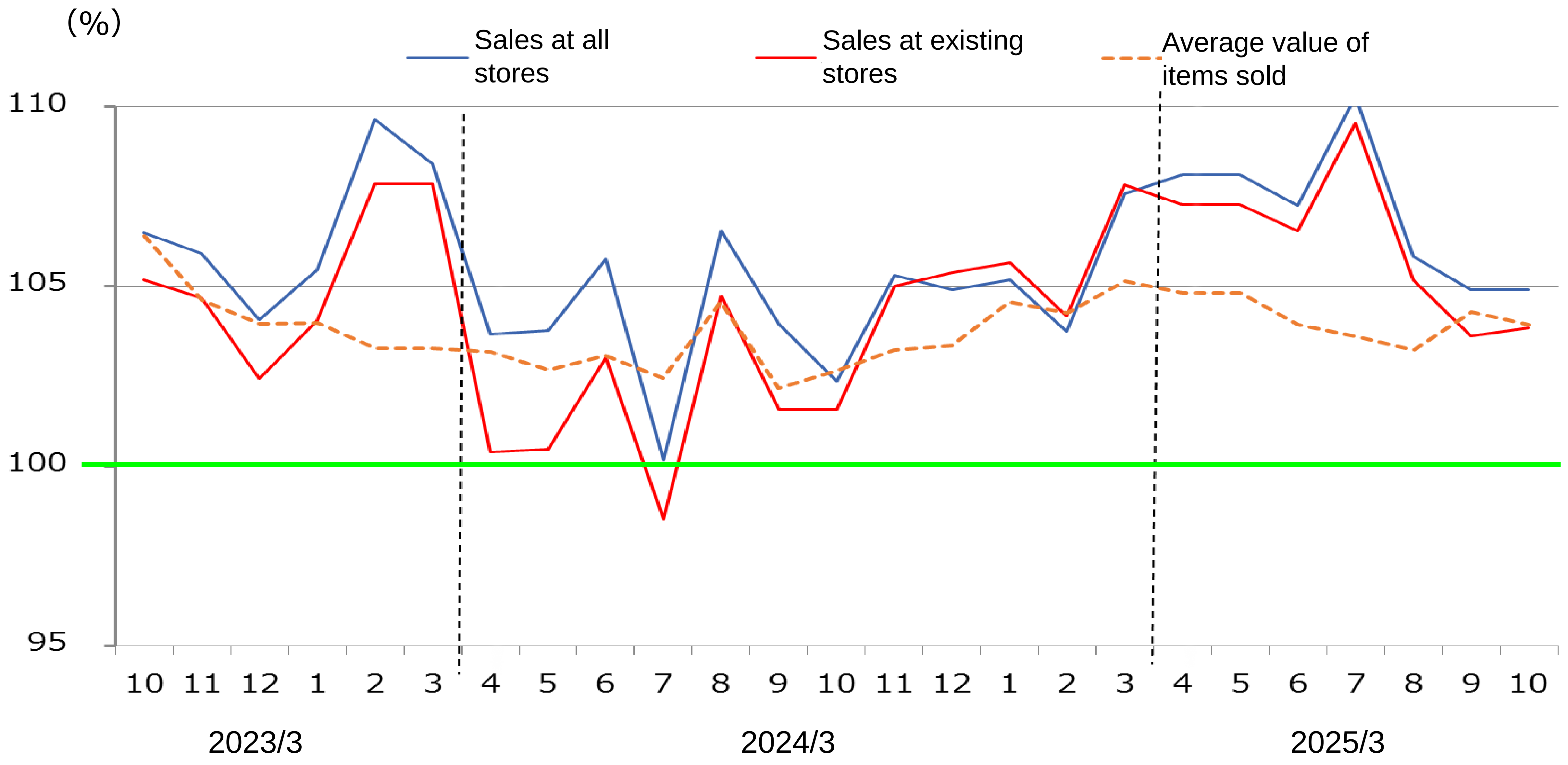
1. (1) Business Results for the First-Half

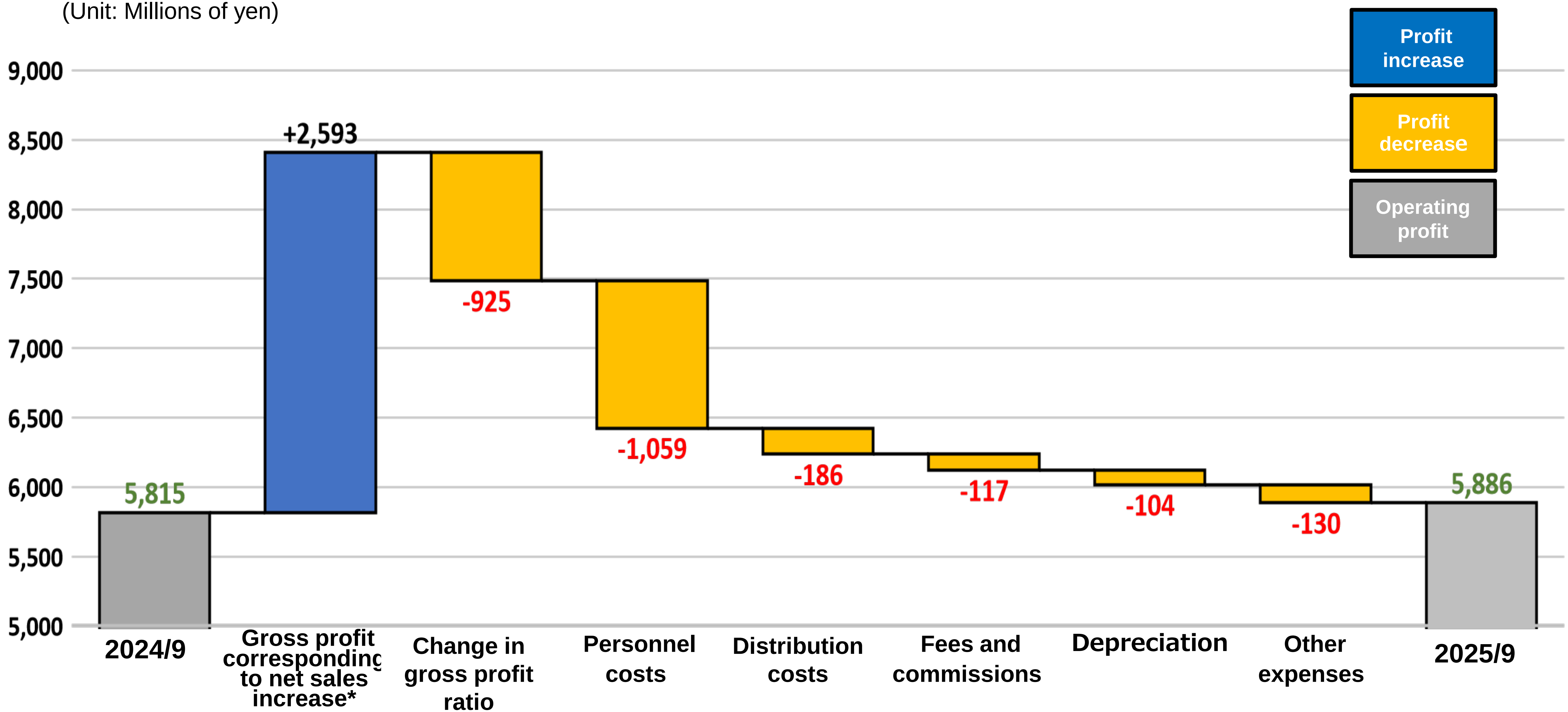
	2024/9	2025/9	Change (%)	Change	(Unit: Millions of yen)
Net sales	137,812	**146,718**	**6.5%**	8,905	Forecast: ¥141 billion +6.6% at existing stores
Gross profit	40,138 (29.1%)	41,807 (28.5%)	4.2%	1,668	Strengthen EDLP, Strategic Measures for Enhancing Competitiveness, In-store merchandizing Loss/chance of loss management
SG&A expenses	34,323 (24.9%)	35,920 (24.5%)	4.7%	1,597	Growth in personnel expenses due to upfront raises Initiatives undertaken by the Cost-Cutting Committee
Ordinary profit	5,938 (4.3%)	**6,026** (4.1%)	**1.5%**	88	Forecast: ¥5.2 billion
Net profit	3,998	**4 ,054**	**1.4%**	56	Forecast: ¥3.5 billion
ROE/ROA	9.4%／9.0%	9.0%／8.8%	Full-year estimates		
Number of store openings	0	**0**	No new stores, renovation : Fressay Tomizuka, Isezaki City, Harashin Misawa store, Nagaoka City		
Number of store closings	1	**0**	No closing stores		
Share repurchases : ¥1.2 billion (expended during fiscal 2025 as part of a ¥2 billion budget set aside in February 2025 for repurchasing)					

1. (2) Y-o-Y comparison of monthly sales



1. (3) Factors changing operating profit

(Unit: Millions of yen)



* Gross profit corresponding to net sales increase = Sales increase × Gross profit ratio for the same period of the previous year

1 . (4) Results overview by group

(Unit: Millions of yen)

	Harashin and Narus			FRESSAY		
	2025/9	Change (%)	Change	2025/9	Change (%)	Change
Net sales	**104,954**	**7.7**	**7,518**	**42,515**	**3.9**	**1,581**
Gross profit	29,337 (28.0%)	5.7	1,576	12,544 (29.5%)	0.8	97
SG&A expenses	24,647 (23.5%)	5.9	1,369	11,356 (26.7%)	2.0	223
Operating profit	4,690 (4.5%)	4.6	206	1,187 (2.8%)	-9.6%	-125
Ordinary profit	**4,874 (4.6%)**	**5.7**	**264**	**1,219 (2.9%)**	**-7.7%**	**-101**
Net profit	3,322	6.1	191	815	-8.8%	-78

1. (5) Business Results by Quarter

	1Q (4-6)			2Q (7-9)		
	2025/4－6	Change (%)	Change	2025/7－9	Change (%)	Change
Net sales	**71,244**	**7.1%**	**4,721**	**75,474**	**5.9%**	**4,183**
Gross profit	20,264 (28.4%)	4.9%	945	21,542 (28.5%)	3.5%	723
SG&A expenses	17,514 (24.5%)	5.1%	850	18,405 (24.3%)	4.2%	746
Operating profit	2,749 (3.9%)	3.6%	94	3,136 (4.2%)	-0.7%	-23
Ordinary profit	**2,835 (4.0%)**	**2.5%**	**67**	**3,191 (4.2%)**	**0.6%**	**20**
Net profit	1,919	2.7%	46	2,124	0.5%	10

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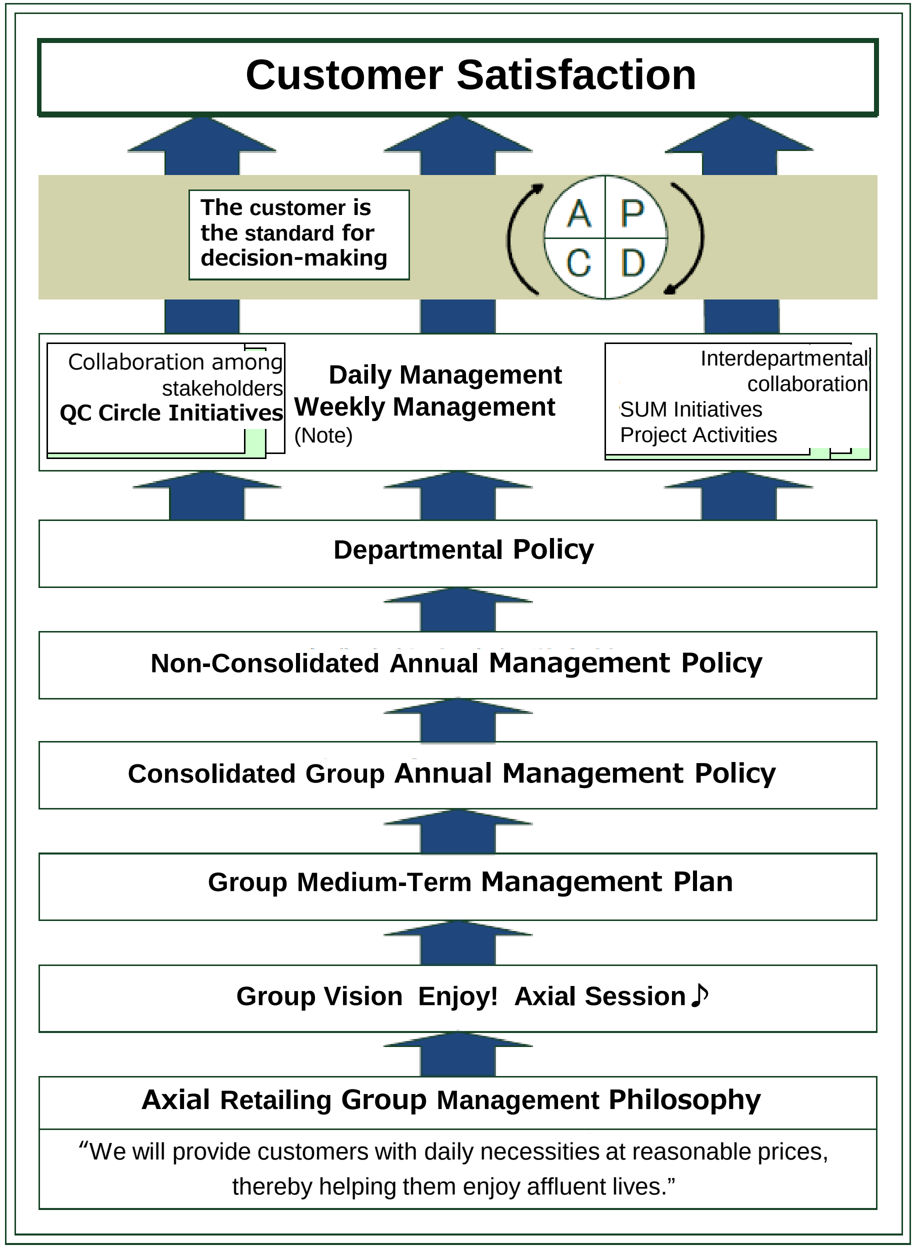
Deliver affluence, fun and convenience to customers by fully leveraging the merits of scale yielded by our chain store operations

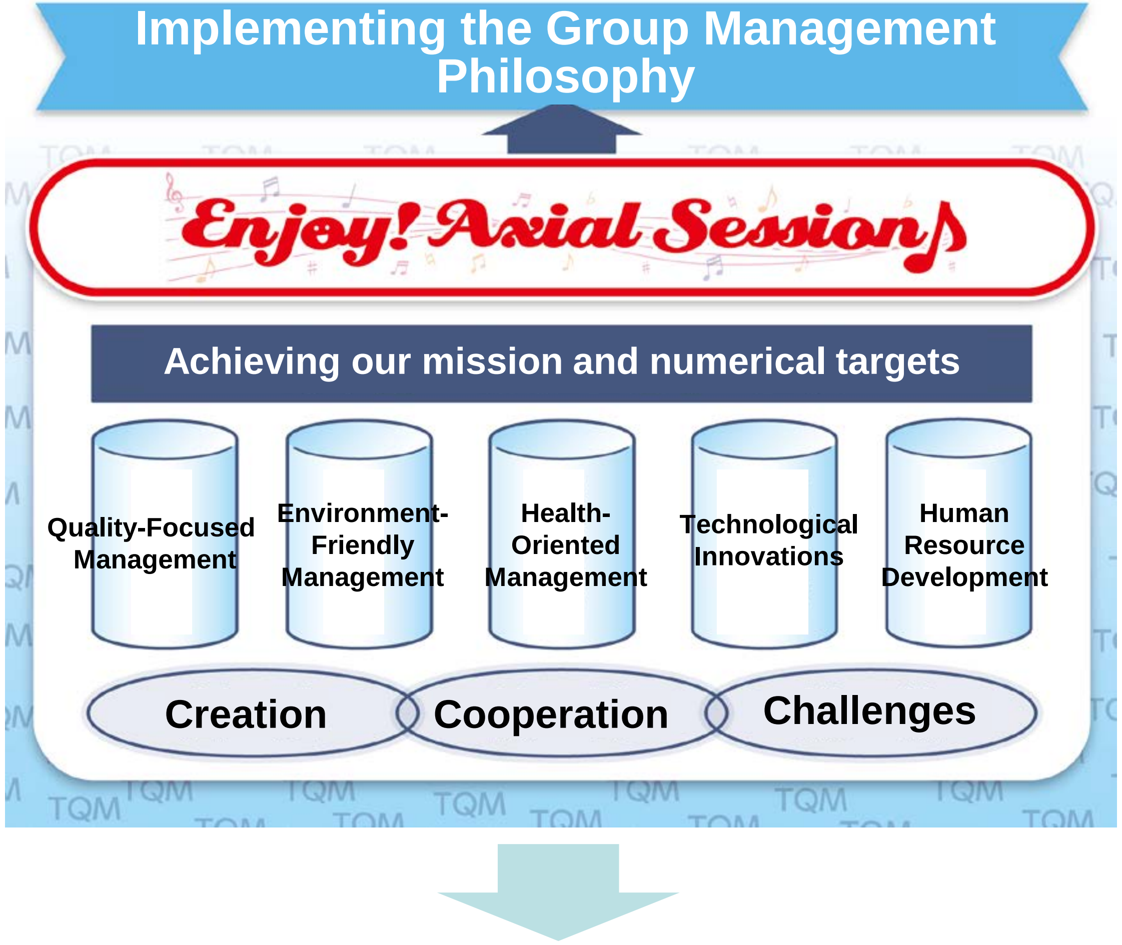
Scale

Functions

Human resources: TQM as a foundation

2. (1) TQM and VISION, Medium-Term Management Plan





Medium-Term Management Plan (2026/3 – 2028/3)

Annual Policy / Plan

2. (2) Medium-Term Management Plan （2026/3 – 2028/3）

Scale	• Net sales ¥310 billion, with an ordinary profit ratio of 4.2% • Open 12 new stores, bringing the total number of stores from 130 to 140 at the end of 2028/3
Functions	• Plan to redevelop the Group's foundations (manufacturing, distribution and IT) （Establish Nagano Area Center, Initiate the development of a manufacturing and distribution base in Maebashi） • Promote vertical MD • Step up centralized purchasing • Promote the ESLP strategy and labor saving (reduce burdens associated with cash register operations)
Human resources	• Nurture specialists • Human resource management and education system (redevelop educational programs) • Create a corporate culture that makes jobs fulfilling for employees • Develop a worker-friendly environment

2. (3) Numerical Plan Established under the Medium-Term Management Plan

(Unit: Millions of yen)

	2025/3 results	2026/3	2027/3	**2028/3**	**Notes**
Net sales	281,870	285,000	294,000	**310,000**	
Ordinary profit ratio	4.5%	4.4%	4.3%	**4.2%**	
Number of stores	130	131	134	**140**	
Openings/ Closing	2 / 3	2 / 1	3 / 0	7 / 1	
Investment	7,907	10,000	11,700	12,000	
ROA : Conventional standard	9.5%			**9.0%**	Ordinary profit/ Total assets
ROE	10.4%			**10.0%**	
Notes	• Relocated headquarters • Established a new Delica Plant • Reinforced t he Nakanoshima Chilled Center	• Establish the Nagano Area Center • Relocate Itec Inc.	• Reorganize Rory Confectionary Plant, etc. • Maebashi base (initiated the construction of a distribution center while preparing for the construction of a manufacturing facility)		

2（4）Cash Allocations under the Medium-Term Management Plan

IN/OUT	Classification	Item	Amount (millions of yen)	
IN	Operating cash flows	After-tax profit Depreciation Total	27,375 18,000 **45,375**	
OUT	Capital expenditure	Investment in new stores and renovation Investment in infrastructure and other (IT-, manufacturing-, distribution-related and other infrastructure) Total	20,000 13,700 **33,700**	
	Dividends	Provisionally calculated based on an assumption of annual dividends totaling ¥29 per share	**7,700**	Calculated based on the volume of dividends paid for fiscal 2026/3
	Other	Strategic investment Share repurchases, increase in dividends, etc.	**3,975**	M&A, etc.

4. （1）Annual policies for the year ending 2026/3

The Operation “Central Focus on More Deliciousness”
~Axial makes the most~

Making the most of our infrastructure, making the most of our human resources

1. Retailers rushing to raise prices
2. Further intensification of competition
3. Changes in socio-environmental awareness among consumers
   - Responsibilities to address social issues
   - Preference toward workplaces that are not only comfortable but also provide an immense sense of job fulfillment

1. Commodities (maintain affordable prices, expand the scope of ESLP)
2. Differentiation
   - ✓ Products available only at our stores
   - ✓ Services available only at our stores
3. Secure funds and resources necessary to achieve this end
4. Employee sense of job fulfillment

3.(2) Plan for the development and timely release of seasonal delicacies

3（2） “Central Focus on More Deliciousness” TV commercials produced by the Company and SNS-based advertisement

3（2）“Central Focus on More Deliciousness” Making the most of our infrastructure

Enhancement of product development facilities in place at new headquarters (opened in October 2025)

MD Labo 1, 2

Haranaru Kitchen

Sensory Evaluation Room

Establishing a new sensory evaluator system

Photoshoot Room

Making the most of our human resources

Gourmet Tour
– Self-improvement support system

Gourmet Food Report

some information has been omitted and restaurant names are not disclosed.

Pizza Lunch at Trattoria in Ginza

The region of the store visited: Chuo-ku, Tokyo

[Bakery Division] Haruki Ishikawa

Reason behind choice: I saw a review stating that the prices were reasonable despite being in Ginza and the pizza was the real deal. The restaurant, specializing in Neapolitan pizza and seafood, has an interior design inspired by southern Italian regions like Napoli and Sicily, creating a cozy yet authentic atmosphere.

Factors for Evaluating Deliciousness

Pizza Set Lunch Margherita

[service] It is evident that the staff are focused on the customer, always

A Famous Mont Blanc Shop in Obuse from a Trip to Nagano

The region of the store visited: Kamitakai-gun, Nagano Prefecture

[FBS Division] Chiharu Enomoto

Reason behind choice: Obuse is famous for chestnuts. I went to a café managed by a shop that serves Mont Blanc. The name "Suzuka" is said to be derived from Hokusai Katsushika's "Phoenix Glaring in All Directions" ceiling painting at Ganshoin Temple.

Factors for Evaluating Deliciousness

Mont Blanc Suzuka Set

[Restaurant interior] The building coupled with a

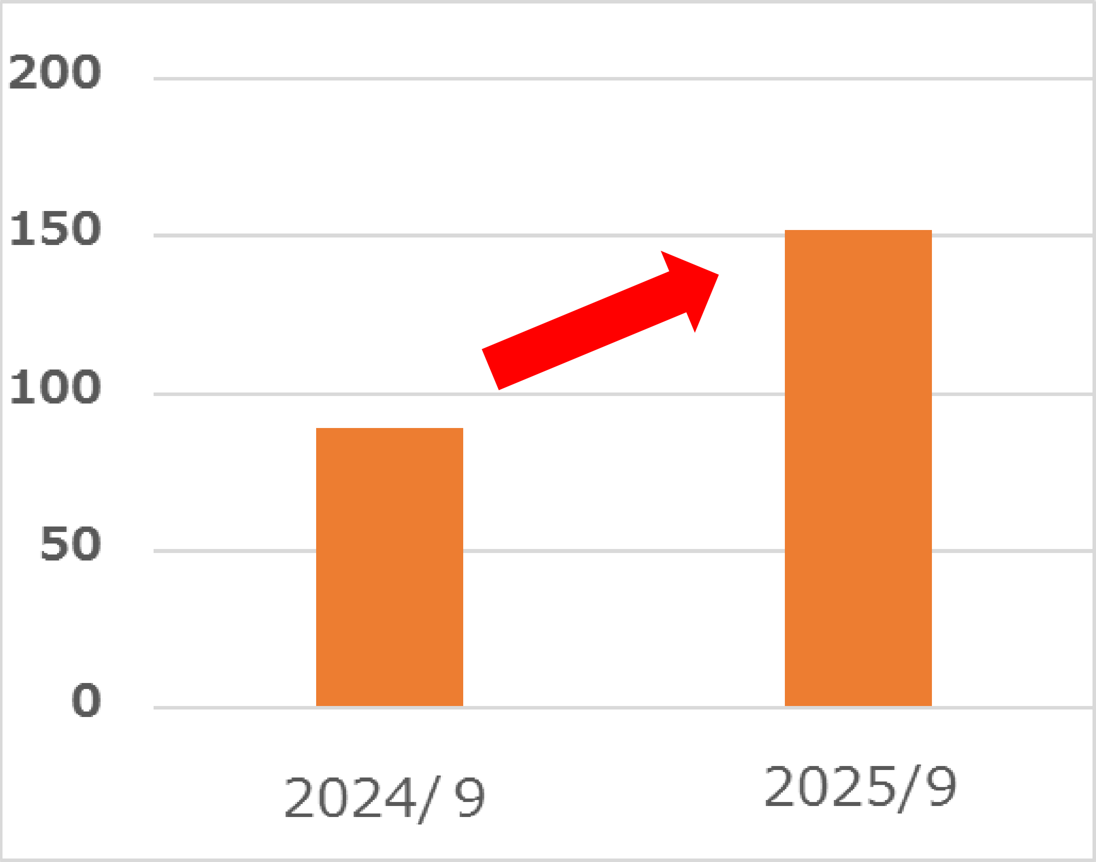
PB Comparison
– Self-improvement support system

Specialist Certification Exam

Omurice Certification

(Supervised by KAGOME CO., LTD.)

Number of products developed via product planning aimed at greater deliciousness



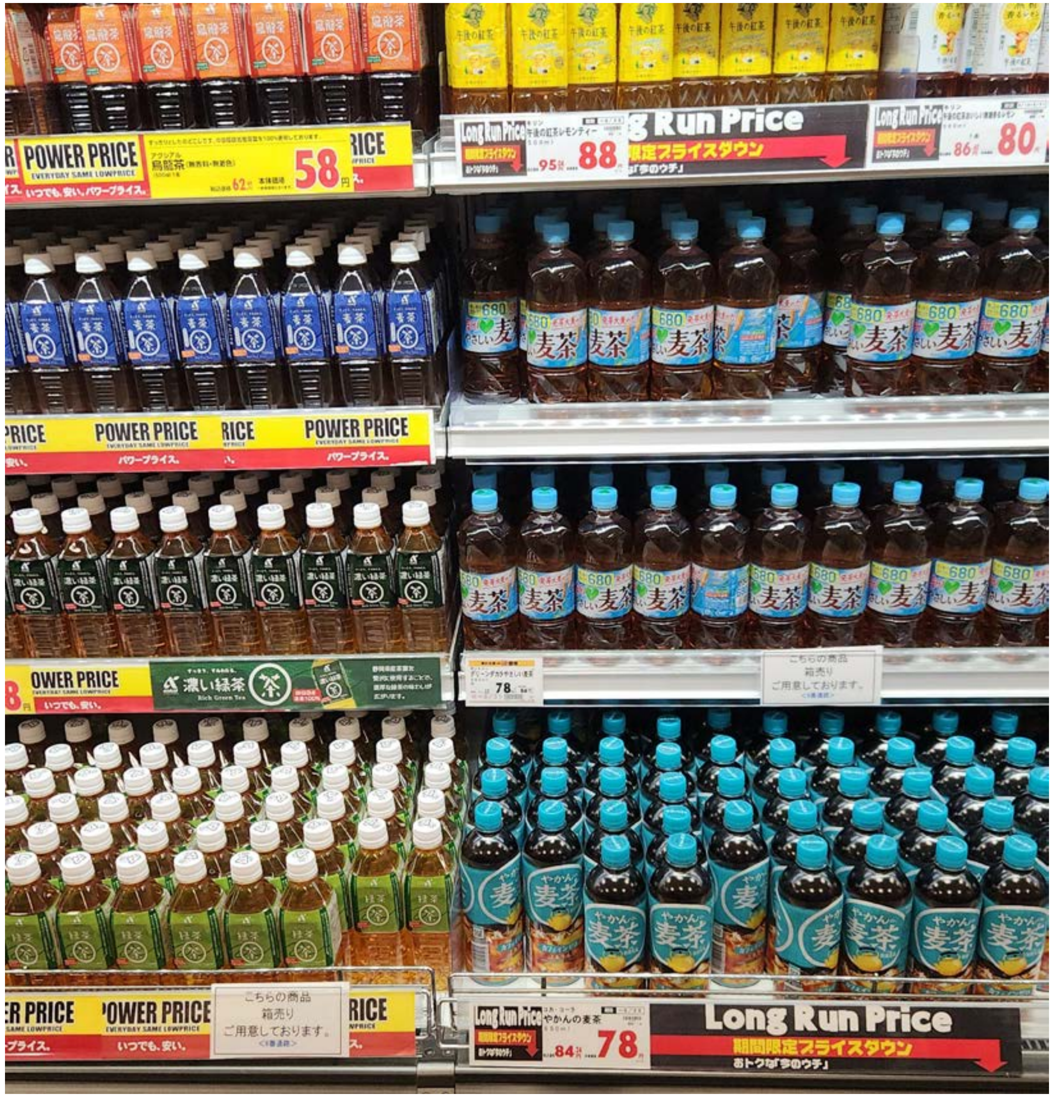
3（3）Creating Local Specialties

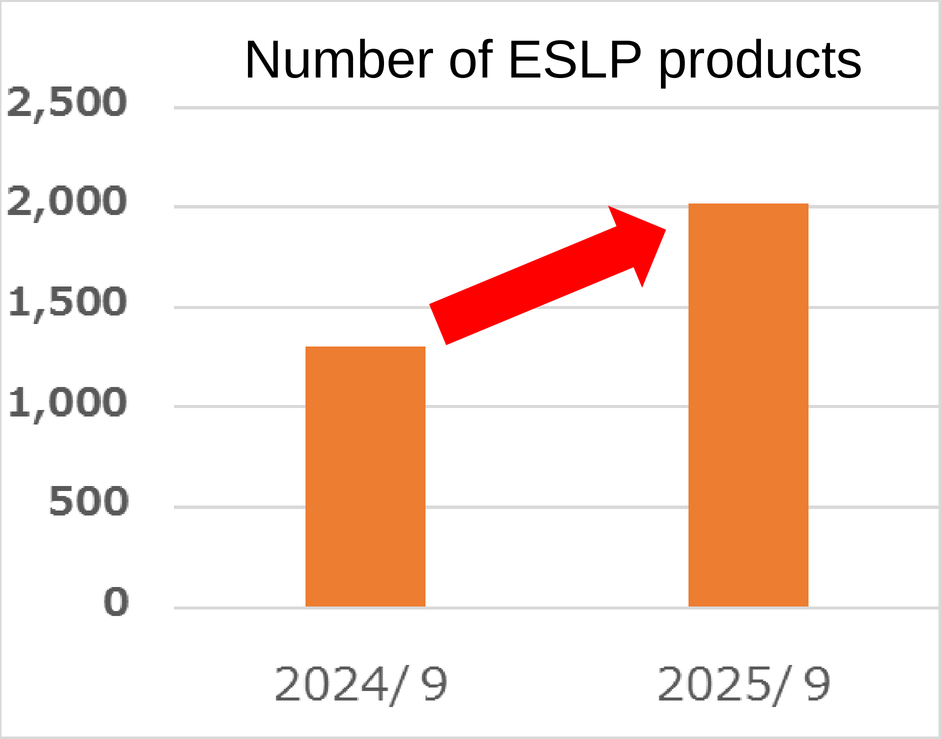
3（4） Proposals for “Healthy” + “Hassle-Free and Convenient” Products

Over 560 Axial Brand items

3（6）ESLP

Everyday same low price, budget friendly





3（7）Direct Imports under the Axial Label

We launched “Hana-well,” an ethical product brand, with the aim of integrating our business activities and efforts aimed at addressing social issues. We will contribute to the resolution of social issues from the following five aspects.

Earth

We will deliver Earth-friendly products with low environmental footprints.

Healthy

We will propose products that are friendly to physical health and can contribute to the betterment of emotional health.

Local

We will disseminate the attractiveness of the nature’s blessings and local cultures that have been nurtured in regional communities even as we help ensure the succession of these assets to future generations.

Diversity

We will support the creation of an inclusive society that enables everyone to remain true to his/her authentic self and is free of discrimination.

Future

We will empower initiatives aimed at taking on the challenge of realizing future-oriented technological innovation.

Concept: “Deliciousness and Tenderness”

3（9） Social Contribution

Assisting with nurturing young people and other human resources

Supporting the adoption of healthy lifestyles and the provision of food assistance in communities

Passing down cultural and historical heritage to future generations

・**Harashin Summer Scholarship (30th round)**
・Nagaokasha Scholarship Society
・On-demand lectures on TQM at Nagaoka University of Technology
・Collaboration with “ Rental Museum Cotocoto”
・Food education: Classes on how to and why eat fish
・Harashin Narus Walking Day
・Support of Children’s (Everyone’s) Cafeteria
・Niigata Healthy Life Expectancy Project
・Donation of fireworks to festivals in local communities (large, 90 cm “shakudama” spherical triple-shot fireworks)

3 （10）Creating an Employee-Friendly, Rewarding Workplace

Upward wage revisions
fiscal 2025/3: 6.5%; fiscal 2026/3: 6.0%

Annual paid leave utilization ratio
Harashin Narus: 85.7%
FRESSAY: 70.8%
(Nationwide average: 65.3%; according to a comprehensive labor condition survey undertaken by the Ministry of Health, Labour and Welfare in 2024)

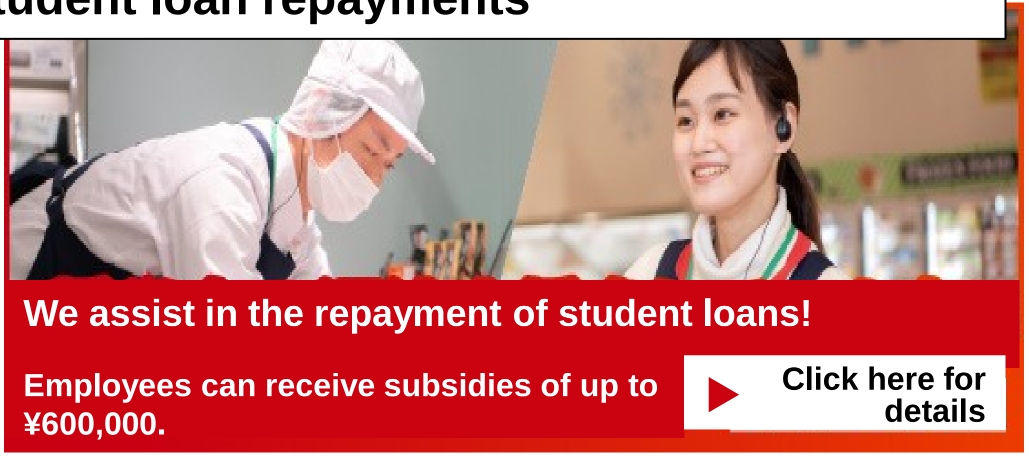
Paternity leave usage rate 92.9% (2025/3,Harashin)
Nationwide average is **30.1%** according to a survey undertaken by the Ministry of Health, Labour and Welfare (the year ended 2023)

Increase the number of annual holidays(six-day breaks four times annually)

Introduce a non-working hour system
Grant rights to take a two-hour break during working hours (highly appreciated by, for example, parents who need to pick up a child from a nursing center)

Launch Femtech-related initiatives

Introduce subsidy system designed to assist in student loan repayments



Time spent changing clothing is included in working hours

The new headquarters includes a multipurpose leisure area

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4.(１) Business Results Forecast for the Current Fiscal Year

(Unit: Millions of yen)

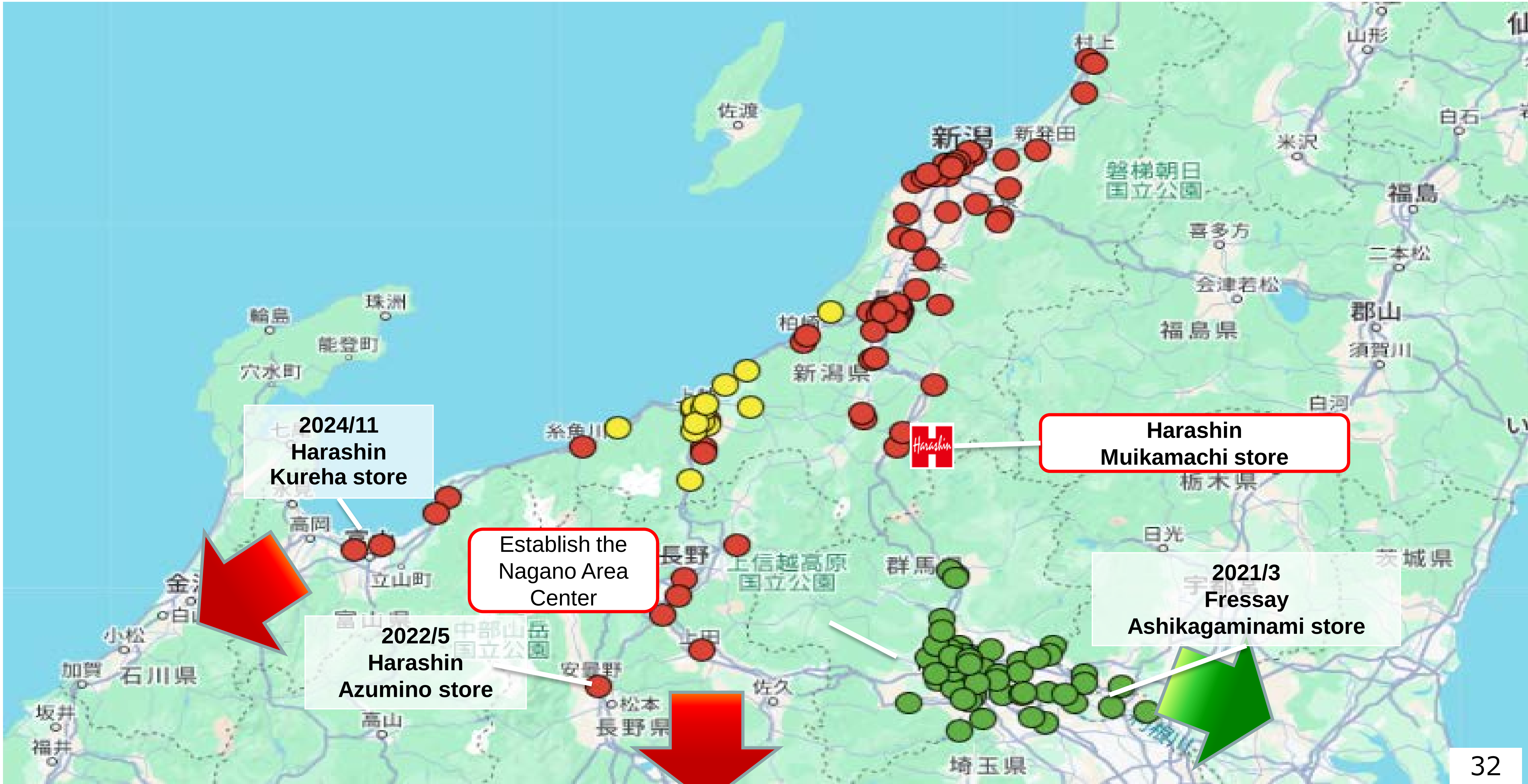
	Consolidated	Change	Approximate targets by group			
			Harashin and Narus	Change	FRESSAY	Change
Net sales	**286,000**	**1.5%**	202,000	1.3%	84,000	1.5%
Operating profit	11,400	-5.5%	8,900	-4.2%	2,500	-11.6%
Ordinary profit	**12,000**	**-5.6%**	9,100	-5.3%	2,600	-10.1%
Net profit	8,200	-9.0%	6,200	-1.5%	1,900	-5.4%
Store openings (renovations)	1 (3)	-1 (1)	1 (1)	-1 (－)	0 (2)	-(2)
Dividends per share(Pre-share split basis)(Yen)	2 9	＋2	Capital expenditures: ¥10 billion; depreciation and amortization: ¥5.5 billion			

The first-half operating results shown in the table below are not in alignment with full-year operating results or sales figures presented in the tables above and on the right.

Assumptions for net sales forecasts	1st-half results	2nd-half results	Full-year results
All stores	2.7%	1.8%	2.2%
Existing stores	2.9%	0.2%	1.5%

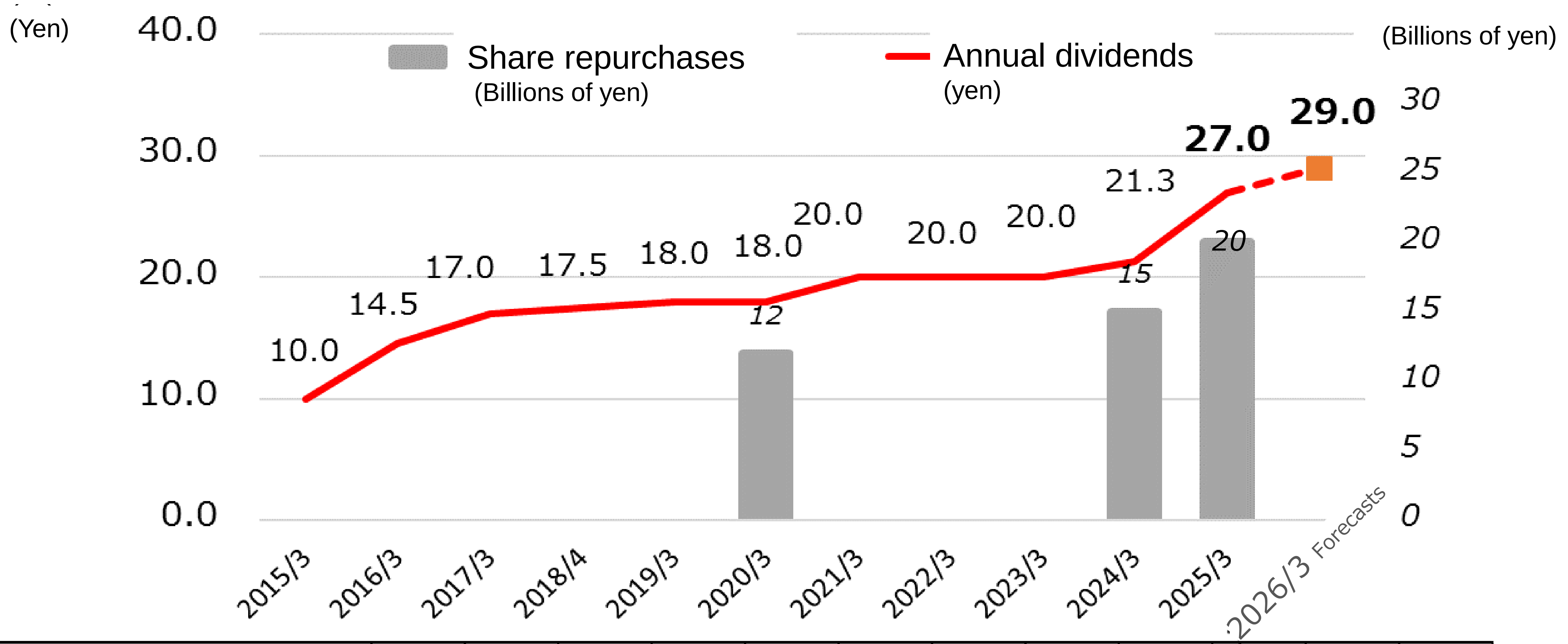
Forecasts for number of customers and average spending per visit	Number of customers	Average spending per visit
All stores	**1.5%**	**0.8%**
Breakdown of average spending	**Number of items sold per customer**	**Average value of items sold**
	-2.2%	**3.0%**

4.（2）Store opening plan for the year ending 2026/3



2. (3) Shareholder returns

Dividends per share (post-share split basis) and share repurchases from the market



Total shareholder return ratio(%)	28.3	29.0	27.4	26.9	26.1	26.6	22.3	26.1	29.0	26.0	27.1	31.3
Consolidated payout ratio (%)	28.3	29.0	27.5	26.9	26.2	**45.3**	22.3	26.1	29.0	**46.0**	**35.5**	

Thank you for listening.