



Supplementary Explanatory Materials for FY2/2026 First Quarter Financial Results

DD Group Co., Ltd. | July 14, 2025
(Securities code, the TSE Prime Market:3073)

Group Guidelines and Group Companies

Management Philosophy	Delivering on customer delight
Group Action Guidelines	Delivering highly stylish and attractive offerings to bring passionate delight to all stakeholders, with a focus on the following keywords: OPEN (= pioneering), community (= connecting), Revolution (= polishing), and Innovation (= developing)
Group Vision	Producing creative and innovative brands as a company with strong brand presence
Action Guidelines	Being Dynamic and Dramatic
Theme for the Medium term Management Plan	Going far beyond the starting point

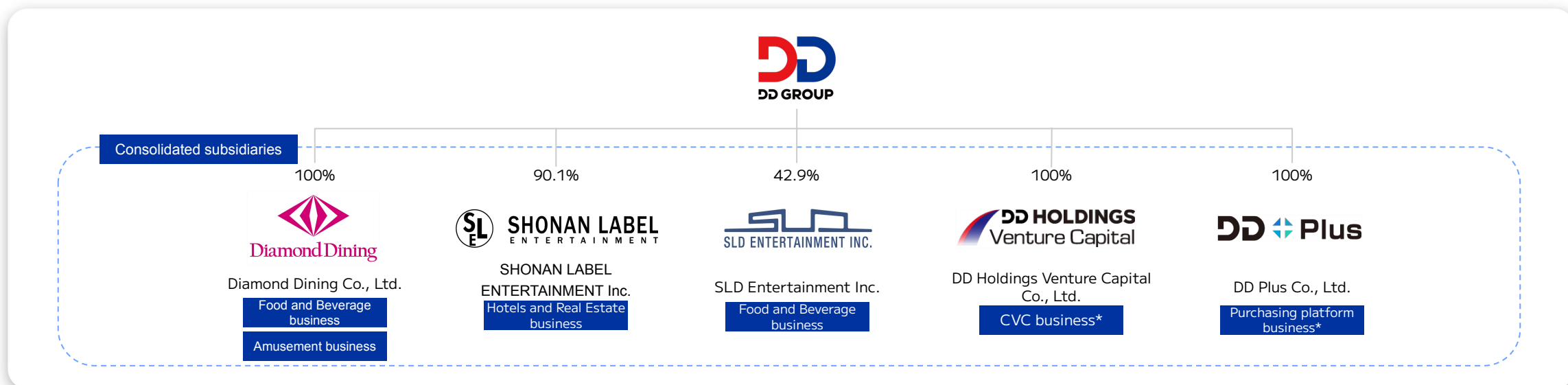


Table of Contents

1. Quarterly Consolidated Financial Results
2. Status of Shop Openings
3. Overview and Financial Results by Segment
4. APPENDIX



FY2/2026 Consolidated Financial Results of the First Quarter

- Achieved net sales at 103.6% YoY, despite some negative impact from unfavorable weather.
- Ordinary profit decreased to 98.7%, due to a reduction in construction subsidies for new shops openings in the previous period and an increase in interest expenses on borrowings.

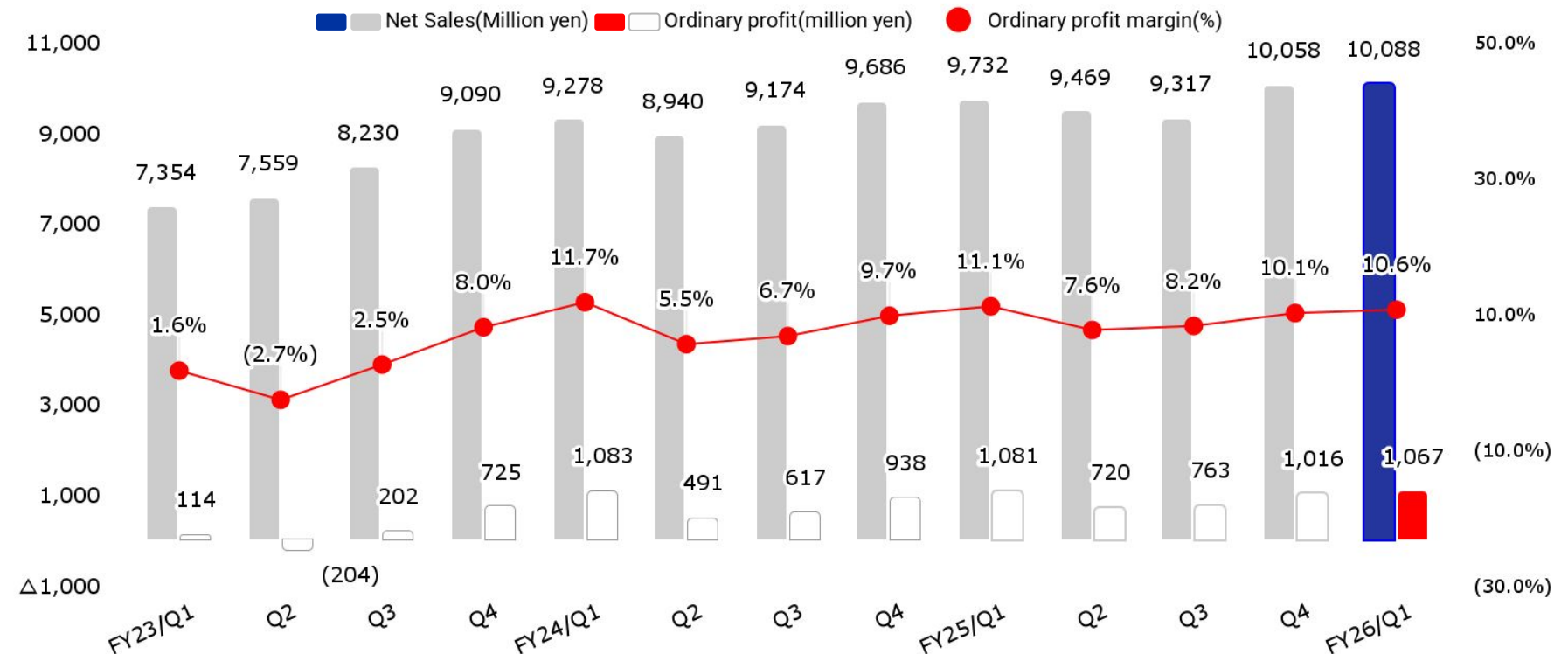
FY2/2026 Q1
Consolidated Net sales
10,088 million yen

103.6% YoY

FY2/2026 Q1
Consolidated
Ordinary profit
1,067million yen

Ordinary profit margin
10.6 %

98.7% YoY



FY2/2026 Consolidated Financial Results Summary of the First Quarter (YoY Comparison)

- While the Amusement segment saw a slight decrease in Net sales, the Food & Beverage and Hotel and Real Estate segments concluded the period with better results compared to the previous period.

(Unit:Millions of yen)		FY2/2025 Q1	FY2/2026 Q1	YoY Change (Amount)	YoY
Consolidated financial results	Net sales	9,732	10,088	355	103.6%
	Operating profit	1,041	1,104	63	106.1%
	Ordinary profit	1,081	1,067	(14)	98.7%
	Profit attributable to owners of parent	757	678	(79)	89.6%
By segment	Net sales from Food and Beverage	7,248	7,590	342	104.7%
	Net sales from Amusement	1,999	1,942	(56)	97.1%
	Net sales from Hotels and Real Estate	485	555	69	114.4%

Summary of Key Metrics for FY2/2026 First Quarter Financial Results (Ratio to Net Sales)

		FY2/2025 Q1	FY2/2026 Q1	YoY change	
Cumulative Financial Results	Cost of sales ratio	21.6%	21.3%	(0.3%)	Suppression of rising costs through continuous joint procurement initiatives with DD Plus Co., Ltd.
	SG&A ratio	67.7%	67.7%	0.0%	While net sales increased in the 1st quarter, both labor costs and outsourcing fees (commission payments) increased
	Operating profit margin	10.7%	11.0%	0.2%	In addition to increased profits from the Food & Beverage and Amusement segments, the full-period contribution of 3S Atsugi Hotel enhanced profitability in the Hotel & Real Estate segment
	Operating profit margin before amortization of goodwill	11.2%	11.4%	0.2%	
	Ordinary profit margin	11.1%	10.6%	(0.5%)	Reduction in construction subsidies from the previous period and increase in interest expenses
	EBITDA*	1,253 million yen	1,370 million yen	117 million yen	Increase in depreciation expense due to a change in the estimated asset retirement obligation

Consolidated Balance Sheet

- Total assets increased by 614 million yen, primarily due to increases in cash and deposits, accounts receivable, and similar items.
- While the balance of total liabilities decreased by 612 million yen compared to the previous consolidated fiscal year due to the repayment of long-term borrowings, it increased by 34 million yen driven by increases in accounts payable, accrued expenses, and accrued corporate income taxes.

(Unit:Millions of yen)	FY2/2025 Q4	FY2/2026 Q1	YoY change (amount)			FY2/2025 Q4	FY2/2026 Q1	YoY change (amount)
Current assets	11,311	12,076	765		Interest-bearing liabilities	16,601	15,983	(618)
Cash and deposits	7,382	7,591	209		Other liabilities	5,961	6,613	652
Other current assets	3,928	4,484	555		Total liabilities	22,562	22,597	34
Non-current assets	19,996	19,845	(151)		Shareholders' equity	7,935	8,534	598
Property, plant and equipment	10,096	10,008	(88)		Retained earnings	3,280	3,879	598
Intangible assets	2,439	2,391	(47)		Accumulated other comprehensive income	156	134	(22)
Goodwill	2,401	2,355	(45)		Share acquisition rights	1	1	0
Investments and other assets	7,460	7,445	(15)		Non-controlling interests	651	655	3
Deferred assets	0	0	0		Total net assets	8,744	9,324	579
Total assets	31,307	31,921	614		Total liabilities and net assets	31,307	31,921	614

Status of Shop Openings by the Group

FY2/2026 Shop Openings by the Group

One New Food & Beverage Shop Opened; Two IP Content Shops Under Management Contracts

					Change in scope of consolidation	Number of directly operated shops	Brand Conversions	
		Openings	Closure					
Number of shops operated under the Group (Food and Beverage, and Amusement)								
Food and Beverage	263 shops	FY2/2024	Q1	1	5	0	332	2
			Q2	2	7	0	327	1
			Q3	2	4	0	325	0
Amusement	46 shops		Q4	1	3	0	323	0
Total number of directly operated shops		309 shops						
Shops operated under license + Shops entrusted with operation	14 shops	FY2/2025	Q1	2	11	0	314	0
			Q2	1	1	0	314	0
			Q3	1	0	0	315	1
Total number of shops	323 shops		Q4	0	5	0	310	0
Number of hotels operated under the Group								
Hotels	5 hotels	FY2/2026	Q1	1	2	0	309	1
			Q2	-	-	-	-	-
			Q3	-	-	-	-	-
			Q4	-	-	-	-	-

Results by Segment:Key Indicators in the Food and Beverage Business and Amusement Business

		FY2/24 Q1	FY2/24 Q2	FY2/24 Q3	FY2/24 Q4	FY2/25 Q1	FY2/25 Q2	FY2/25 Q3	FY2/25 Q4	FY2/26 Q1
Food and Beverage	Cost of sales ratio	23.7%	24.3%	24.5%	24.6%	25.1%	24.5%	23.4%	25.0%	25.4%
	Labor cost ratio	31.3%	32.6%	32.7%	30.8%	30.8%	32.4%	32.9%	31.3%	31.8%
	Rent-to-sales ratio	14.4%	14.8%	14.7%	13.1%	13.2%	13.8%	13.7%	12.6%	12.7%
	Utilities cost ratio	3.7%	4.4%	3.8%	3.3%	3.2%	4.4%	3.8%	3.4%	3.1%
	Operating profit margin	11.5%	7.5%	7.8%	12.7%	13.0%	9.8%	10.5%	13.3%	11.9%
Amusement	Cost of sales ratio	10.9%	11.6%	11.9%	11.9%	11.3%	11.6%	11.2%	11.1%	9.6%
	Labor cost ratio	20.4%	21.0%	22.2%	21.3%	20.9%	20.7%	21.0%	20.1%	19.5%
	Rent-to-sales ratio	28.0%	27.7%	29.3%	26.6%	26.3%	26.4%	26.8%	25.2%	26.0%
	Utilities cost ratio	3.3%	4.0%	4.1%	3.0%	3.2%	3.9%	4.4%	3.3%	3.2%
	Operating profit margin	22.2%	20.0%	16.1%	20.6%	20.6%	20.6%	17.9%	24.1%	24.1%

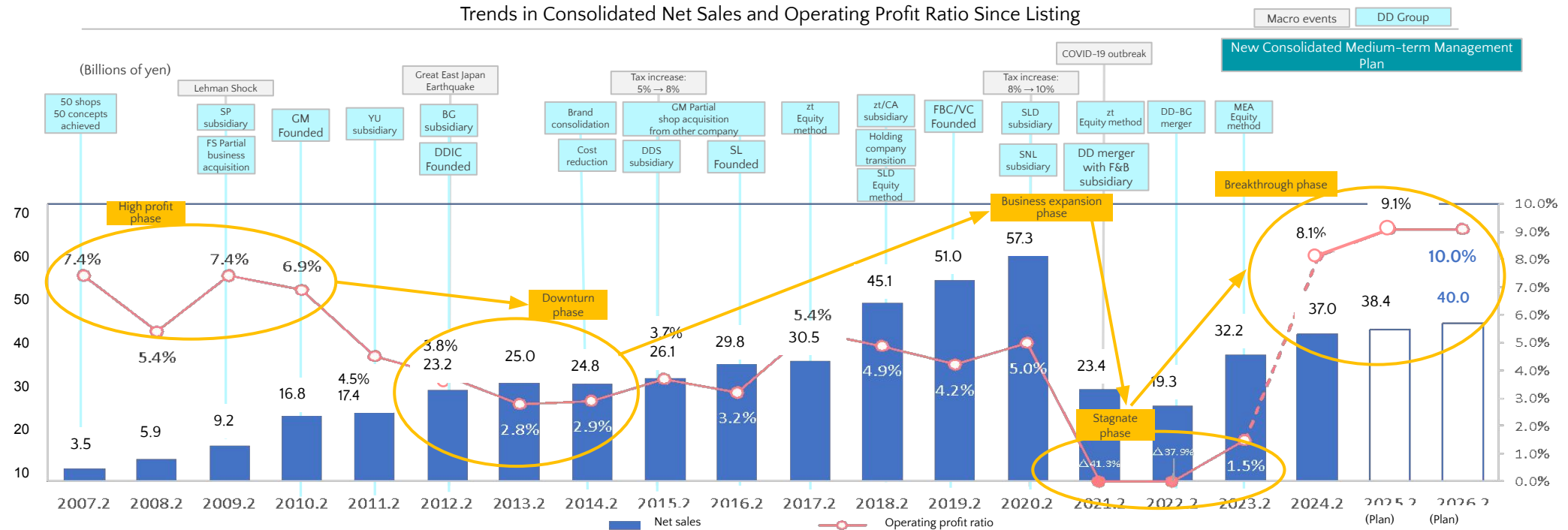
Results by Segment:Key Indicators in the Hotels and Real Estate Business

		FY2/24 Q1	FY2/24 Q2	FY2/24 Q3	FY2/24 Q4	FY2/25 Q1	FY2/25 Q2	FY2/25 Q3	FY2/25 Q4	FY2/26 Q1
Hotels and Real Estate	Cost of sales ratio	4.4%	16.7%	35.4%	27.5%	11.3%	21.5%	7.8%	7.5%	7.2%
	Labor cost ratio	16.7%	23.5%	13.5%	26.6%	24.2%	18.6%	23.1%	25.5%	21.9%
	Rent-to-sales ratio	3.0%	4.1%	2.5%	5.0%	4.4%	3.4%	4.1%	4.6%	3.7%
	Utilities cost ratio	3.4%	4.1%	2.7%	4.8%	4.7%	4.3%	5.6%	6.1%	5.1%
	Operating profit margin	33.9%	8.4%	18.3%	-15.7%	0.1%	14.0%	11.5%	5.6%	17.8%

APPENDIX



APPENDIX: Group Performance Trends and Plan Through FY2/2026



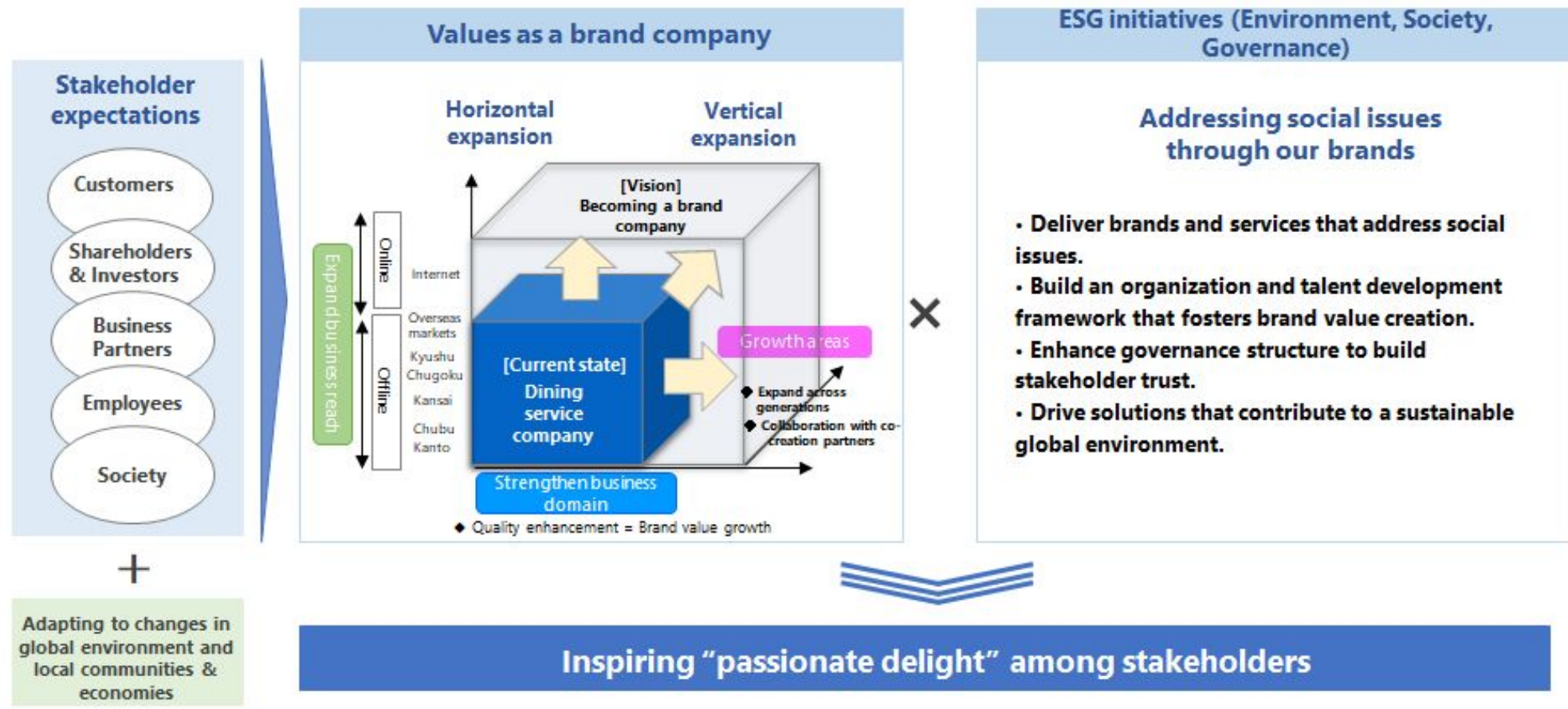
History

FY2/2009: Sun Pool Co., Ltd. (SP) made a subsidiary
 Partial business acquisition from Foodscape Co., Ltd. (FS)
 FY2/2010: Golden Magic Co., Ltd. (GM) established
 FY2/2011: Yoshida Usaburo Shoten K.K. (YU) made a subsidiary
 FY2/2012: BAGUS Co., Ltd. (BG) made a subsidiary
 Diamond Dining International Corporation (DDIC) established
 FY2/2015: Diamond Dining Singapore Pte. Ltd. (DDS) made a subsidiary
 FY2/2016: The Sailing Co., Ltd. (SL) established

FY2/2018: zetton Inc. (ZT) and Shogyo Geijutsu Co., Ltd. (CA) made subsidiaries
 FY2/2019: Food Business Casting Co., Ltd. (FBC) established
 DD Holdings Venture Capital Co., Ltd. (VC) established
 FY2/2020: SLD Entertainment Inc. and SHONAN LABEL ENTERTAINMENT Inc. (SNL) made subsidiaries
 FY2/2021: Diamond Dining Co., Ltd. absorbed four companies (SP, GM, CA, SL) as the surviving entity
 FY2/2022: All shares of DDIC transferred, marking withdrawal from overseas business.
 BAGUS Co., Ltd. absorbed by Diamond Dining Co., Ltd. as the surviving entity
 FY2/2023: MEA co.,LTD (formerly FBC) accounted for using the equity method

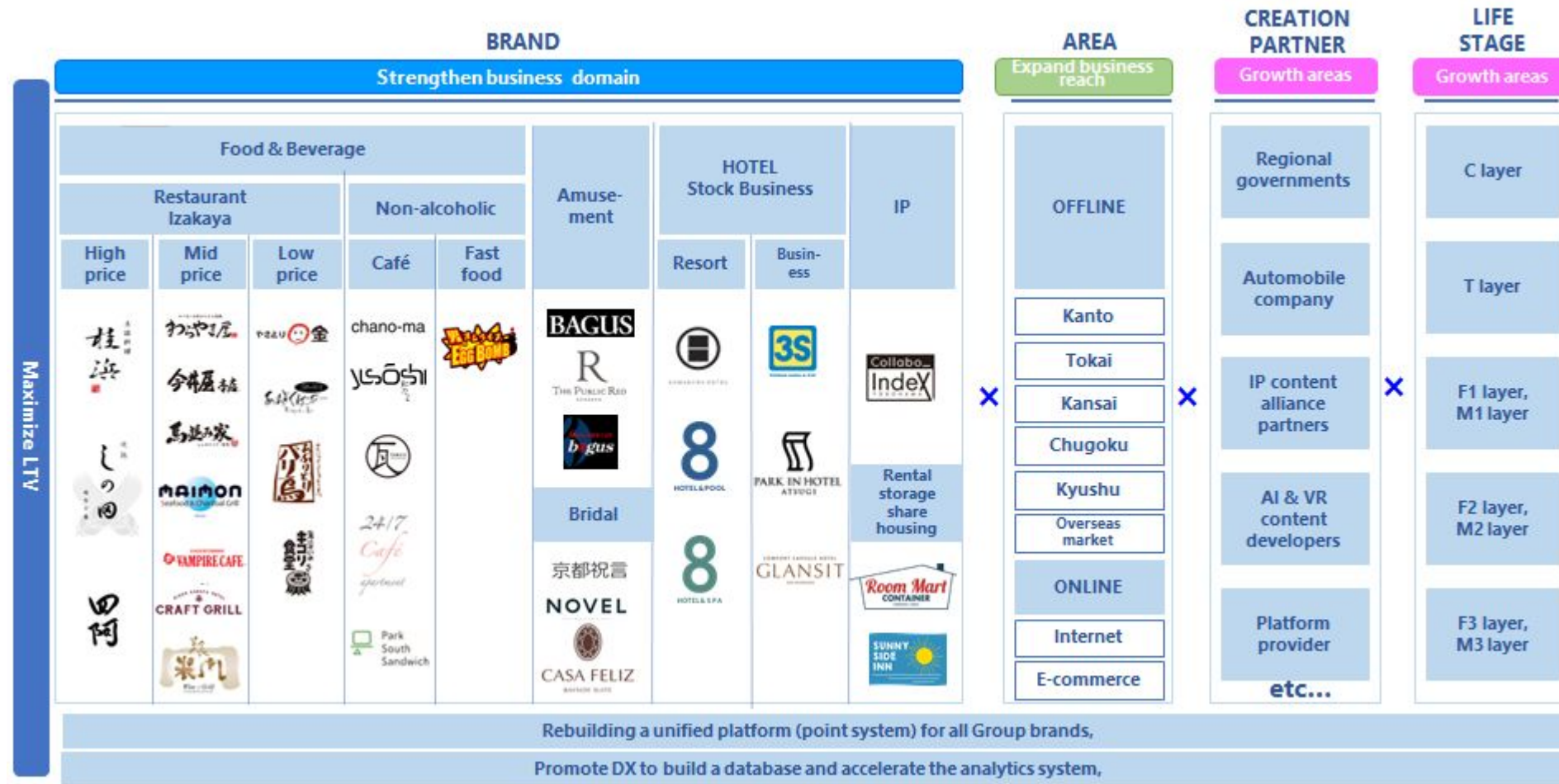
APPENDIX: New Consolidated Medium-term Management Plan - Value Creation Initiatives

- Creating value as a brand company by maximizing LTV (LIFE TIME VALUE) and promoting ESG initiatives to address social challenges—enhancing corporate value and delivering moments of passionate delight.



APPENDIX: New Consolidated Medium-term Management Plan - LTV Growth Strategy Map

- Pursuing geometric LTV growth driven by creative and innovative brand value.



APPENDIX: New Consolidated Medium-term Management Plan - Revised Financial Targets

- In parallel with advancing the Group Vision, the plan seeks to achieve both social and economic value through ESG initiatives.

		(Millions of yen)			
		FY2/2026 initial plan (Announced April 21, 2023)	FY2/2026 revised plan (Announced April 19, 2024)	Change	FY2/24 Actual
Financial targets (Economic value)	Net sales	40,000	40,000	—	37,079
	Operating profit	2,800	4,000	1,200 (+42.9%)	3,243
	Operating profit ratio	7%	10%	+3 pts	8.8%
	Ordinary profit	2,700	3,900	1,200 (+44.5%)	3,131
	ROE	20%	20%	—	46.6%

Note: Non-financial targets remain unchanged.

This document is intended solely to provide information to shareholders and investors and does not constitute a solicitation to buy or sell securities. Statements regarding future forecasts are based on current targets and projections of DD GROUP CO., LTD. and are not guarantees or assurances of future performance. Please be aware that actual results may differ from these forecasts.

Additionally, while information on the industry and related areas is based on data deemed reliable, DD GROUP CO., LTD. does not guarantee its accuracy or completeness.

This document is provided on the premise that shareholders and investors will use the information at their own discretion and responsibility, regardless of the purpose. DD GROUP CO., LTD. assumes no liability under any circumstances.

Contact

Group's Corporate Management Division

TEL:03-6858-6082

FAX:03-6858-6083

E-mail:ddg_ir@dd-grp.com



Dynamic & Dramatic