

Notes:

- This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail.
- Joyful Honda's fiscal year ends in June.

WONDERFUL JOYFUL 50TH ANNIVERSARY

Create More Fans of Joyful Honda!!

**FY2026 Q1 Financial Results
(Three Months Ended
September 20, 2025)**

Supplementary Materials for Financial Results

JOYFUL HONDA CO., LTD.

(Securities Code: 3191)

October 31, 2025

- 1 **Net sales: 98.5% YoY, mainly reflecting the normalization of demand following last year's special demand for emergency supply stockpiling.**
 - The decline in gross profit margin was mitigated by the introduction of highly functional and differentiated products across product groups.
 - Operating revenue increased as a result of effective utilization of store premises implemented to date.

- 2 **Accelerated store network expansion through specialty store openings and strategic M&A.**
 - Opened two specialty stores during the current fiscal year and plan to launch a new store format in spring 2026.
 - Acquired shares of Honda Co., Ltd. on September 30, 2025.

<Assumptions of this document>

- Based on the scope of financial results for the fiscal year ending June 20, 2026, and for the purpose of actual comparison, the figures in previous years are calculated using the same scope.
- As a result of the above, certain figures for the previous years differ from those shown in the summary of financial results.

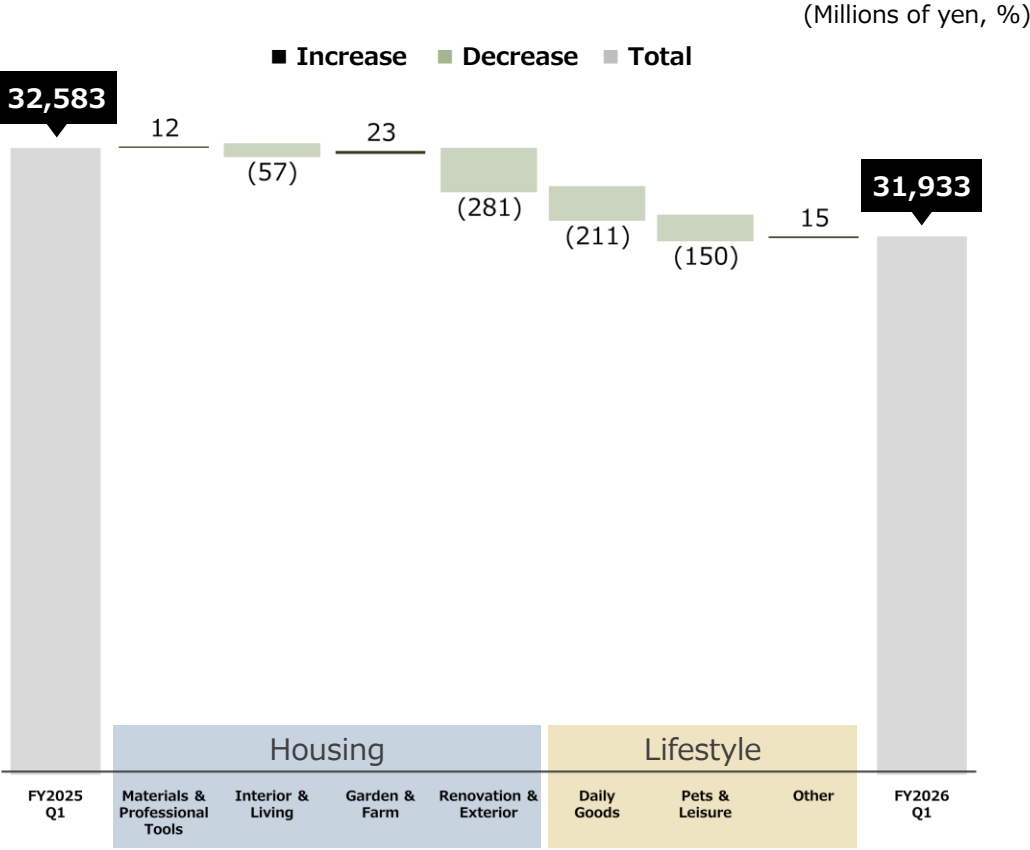
	FY2025 Q1		FY2026 Q1		FY2026 1H Forecast		YoY Change		% of 1H Forecast	Comments (YoY)
	Amount	% of Net Sales	Amount	% of Net Sales	Amount	% of Net Sales	Amount	%	%	
Net Sales	32,583	100.0	32,102	100.0	66,700	100.0	(481)	98.5	48.1	<ul style="list-style-type: none"> Net sales of existing stores: 98.0% of FY2025 Q1 Mainly reflecting the normalization of demand following last year's temporary surge in emergency supply sales
Gross Profit	10,344	31.7	10,094	31.4	21,150	31.7	(249)	97.6	47.7	
Operating Revenue	1,669	5.1	1,747	5.4	3,380	5.1	+78	104.7	51.7	
Operating Gross Profit	12,013	36.9	11,842	36.9	24,530	36.8	(170)	98.6	48.3	
SG&A Expenses	8,978	27.6	9,133	28.5	19,380	29.1	+154	101.7	47.1	<ul style="list-style-type: none"> Increase in supplies expenses resulting from the introduction and replacement of store fixtures
Operating Profit	3,034	9.3	2,708	8.4	5,150	7.7	(325)	89.3	52.6	<ul style="list-style-type: none"> Planned investments will continue from Q2 onward
Ordinary Profit*	3,311	10.2	3,007	9.4	5,720	8.6	(304)	90.8	52.6	
Profit before Income Taxes	3,261	10.0	2,991	9.3	5,840	8.8	(270)	91.7	51.2	
Profit	2,226	6.8	2,073	6.5	4,080	6.1	(153)	93.1	50.8	

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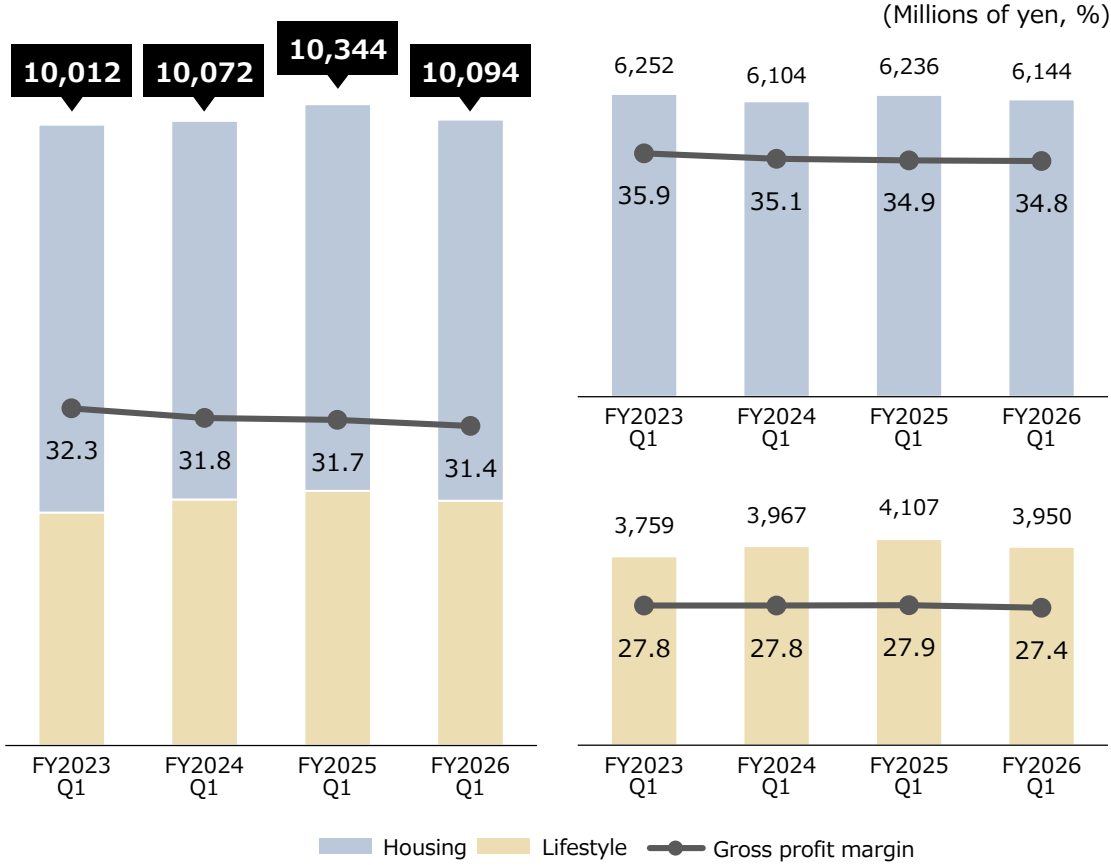
- Ordinary Profit: Japanese accounting standard item (includes non-operating income/expenses)
- Millions of yen and percentage; Yen amounts are rounded down to millions; percentages are rounded to the first decimal place

Net Sales by Product Group and Gross Profit

- Strong performance of air conditioners (parts and materials), functional cooling apparel, and water sprinkler products, which supported sales
 - The extraordinary demand for highly profitable emergency supplies observed last year normalized, leading to a decline in gross profit margin within the lifestyle segment
 - Construction costs increased due to the revision of the Building Standards Act and demand for exterior renovation decreased
- Change in Net Sales (existing Stores)



Gross Profit



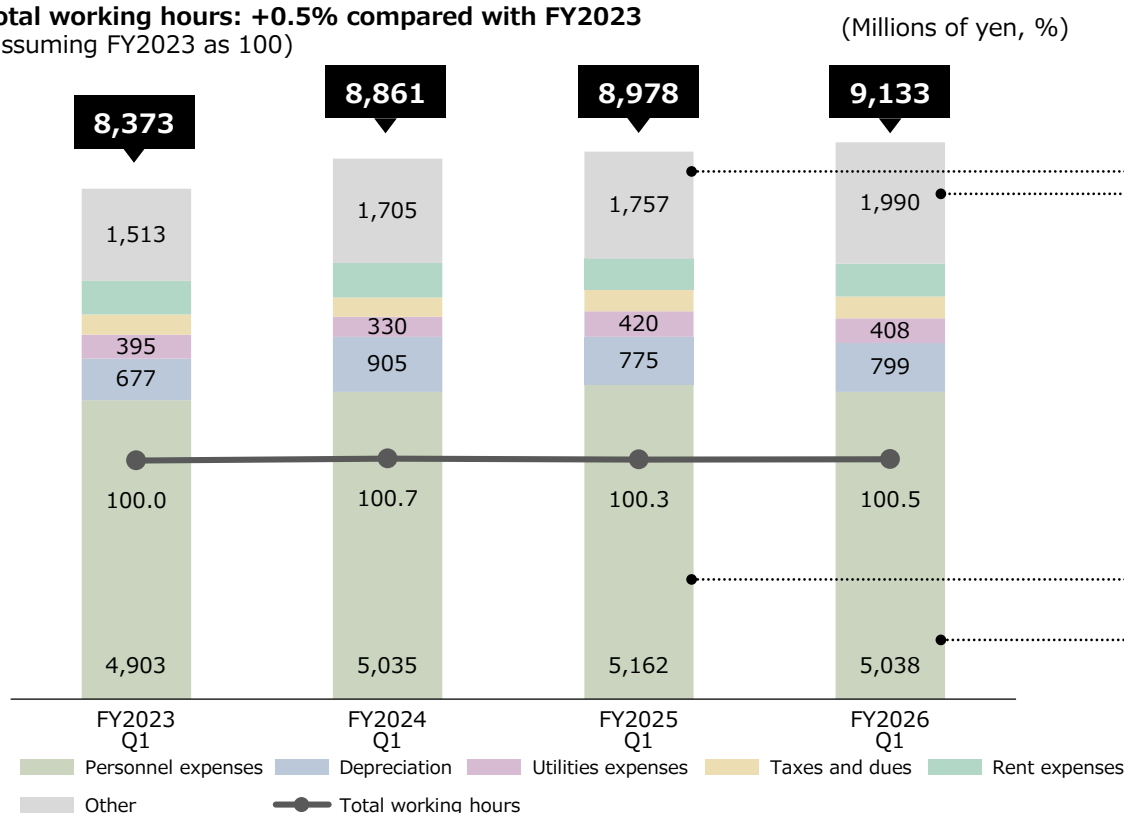
SG&A Expenses and Total Working Hours

JOYFUL HONDA

- Increase in supplies expenses attributable to purchases of digital devices and other store equipment
- Proper labor management reduced personnel expenses

SG&A Expenses and Total Working Hours

* Total working hours: +0.5% compared with FY2023
(assuming FY2023 as 100)



* Advertising expenses are included in "Other"

* In the supplementary materials for financial results, subcontracted labor costs had been so far included in personnel expenses from the viewpoint of continuity. From this fiscal year, we use figures including subcontracted labor costs in selling expenses.

Key SG&A Expenses (Other) YoY Change

(Millions of yen)

	FY2025 Q1	FY2026 Q1	YoY change
Administrative expenses	68	128	+59
Supplies expenses	131	208	+77
Security and management expenses	448	487	+38
		⋮	
Total others	1,757	1,990	+232

Personnel Expenses Overview

(Millions of yen)

	FY2025 Q1	FY2026 Q1	YoY change
Gross profit	10,344	10,094	(249)
Personnel expenses	5,162	5,038	(123)
Personnel expenses as a percentage of gross profit (%)	49.9	49.9	-

(Millions of yen)

		FY2025 Q1 End	FY2025 End	FY2026 Q1 End	vs. FY2025 Q1 End	vs. FY2025 End	Comments (Compared with FY2025 End)
Assets	Current Assets	63,076	59,948	58,728	(4,348)	(1,220)	
	Cash and Deposits	36,193	32,256	29,908	(6,285)	(2,347)	
	Accounts Receivable - Trade* ¹	4,340	4,654	4,386	45	(268)	■ Cash and deposits: (¥2,347 million)
	Merchandise* ²	20,512	20,510	21,389	876	878	
	Non-Current Assets	105,359	105,625	105,193	(165)	(431)	
	Total Assets	168,436	165,574	163,922	(4,514)	(1,652)	
Liabilities and Net Assets	Current Liabilities	21,599	21,989	21,122	(476)	(866)	
	Accounts Payable - Trade	8,313	7,114	7,758	(555)	643	
	Short-Term Borrowings	0	0	0	—	—	
	Current Portion of Long-Term Borrowings	4,932	4,890	4,922	(10)	31	
	Non-Current Liabilities	24,977	21,792	20,597	(4,380)	(1,195)	■ Non-current liabilities decreased due to contractual repayment of long-term borrowings (¥1,188 million)
	Long-Term Borrowings	13,454	9,794	8,574	(4,880)	(1,219)	
	Total Liabilities	46,576	43,782	41,720	(4,856)	(2,062)	
	Total Shareholders' Equity	120,072	120,290	120,432	360	141	
	Total Net Assets	121,859	121,791	122,201	342	410	
	Total Liabilities and Net Assets	168,436	165,574	163,922	(4,514)	(1,652)	

*1: Accounts receivable include contract assets

*2: Merchandise includes work in progress, costs on construction contracts in progress, goods in transit, raw materials and supplies

Capital Expenditures, Depreciation, and Cash Flows

JOYFUL HONDA

I 1. Capital Expenditures and Depreciation

	FY2023 Q1	FY2024 Q1	FY2025 Q1	FY2026 Q1	Comments	(Millions of yen) FY2026 End (Forecast)
Capital Expenditures	2,754	369	201	755	■ Started renovation of existing stores and system upgrade	9,000
Depreciation	677	905	775	799		3,600

I 2. Cash Flows

	FY6/23 Q1	FY6/24 Q1	FY6/25 Q1	FY6/26 Q1	Breakdown	(Millions of yen)
Cash Flows from Operating Activities	3,068	3,317	1,670	2,134	■ Profit before income taxes +2,991	
Cash Flows from Investing Activities	(469)	(709)	(662)	(1,361)	■ Purchase of property, plant and equipment and intangible assets (1,360)	
Cash Flows from Financing Activities	(5,006)	(7,396)	7,728	(3,120)	■ Repayment of long-term borrowings (1,188) ■ Dividends paid (1,926)	
Net Increase (Decrease) in Cash and Cash Equivalents	(2,408)	(4,789)	8,735	(2,347)	■ Total of the above CF	
Increase in Cash and Cash Equivalents Resulting from Merger with Unconsolidated Subsidiaries	—	—	—	—		
Cash and Cash Equivalents at End of Period	40,074	30,195	36,155	29,870		

Status of New Store Openings

JOYFUL HONDA

■ Opened Two Specialty Stores in FY2026



Pet's CLOVER Kashiwanoha Store
(August 2025)



Hondaya Ageo Hinode Store
(September 2025)

■ Store opening schedule (announced)



Hondaya Yashio Nishibukuro Store
(Scheduled for late January 2026)



Joyful Honda Shizaikan
Chiba Hamanochō Store
(Scheduled for spring 2026)

■ Spring 2026

Joyful Honda Shizaikan & Garden Center
Tochigi Hakonomorimachi Store (tentative name)
Please refer to the right for details

■ New Store Format

“Joyful Honda Shizaikan & Garden Center (tentative name)”



This is a conceptual image.

Adding agricultural materials, equipment, and gardening supplies that meet a wide range of needs from home gardens to professional farmers in “Joyful Honda Shizaikan”



Hondaya
(professional
tools store)



Building
materials,
etc.



Agricultural
materials and
equipment



Gardening
supplies

Materials and Hardware Store

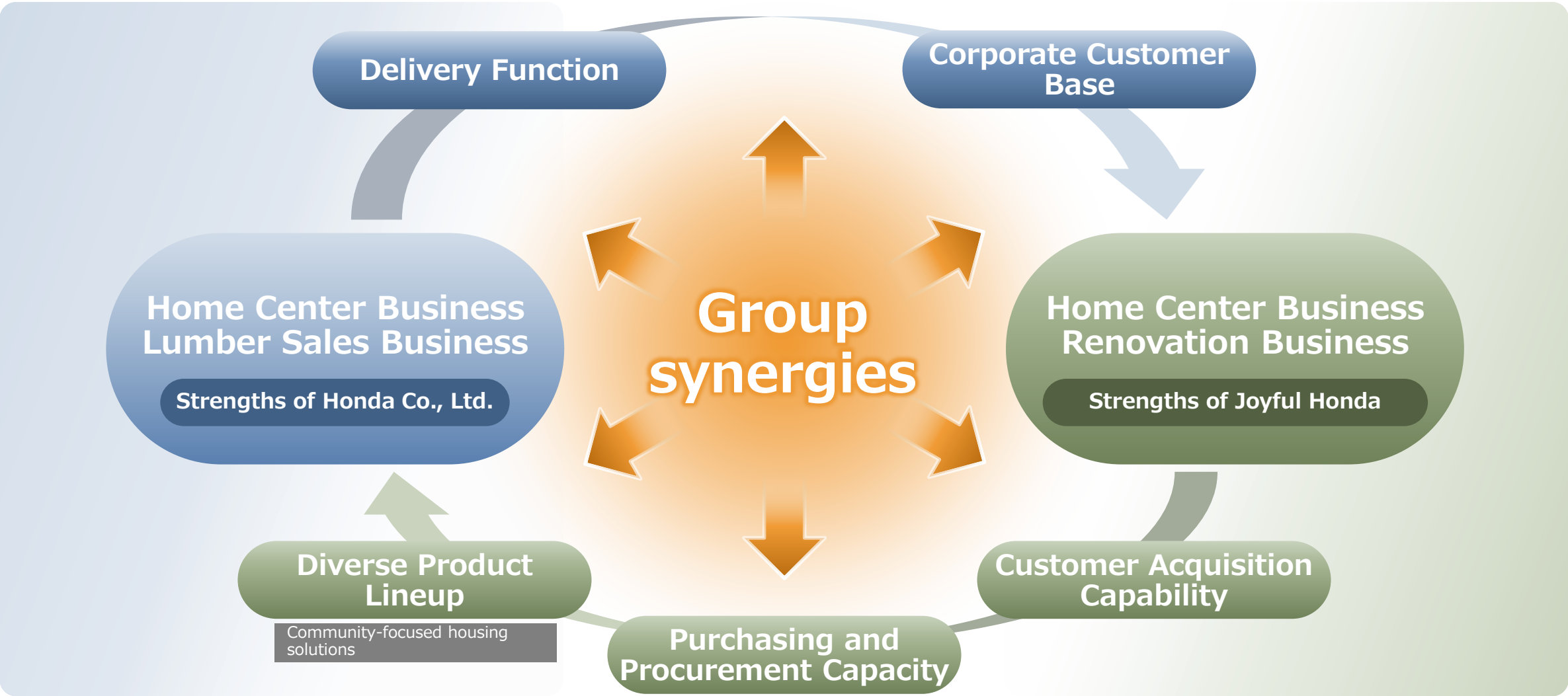
Expanding our professional lineup by adding wood and building materials to tools and workwear developed through Hondaya.

Garden Center

Offering fertilizers, nursery soil, and agrochemicals, as well as greenhouse and shipping materials designed to meet the needs of professional farmers, along with high-quality flowers and succulent plants.

Honda Co., Ltd. Became a Subsidiary

Enhancing comprehensive strength by leveraging strengths of two companies



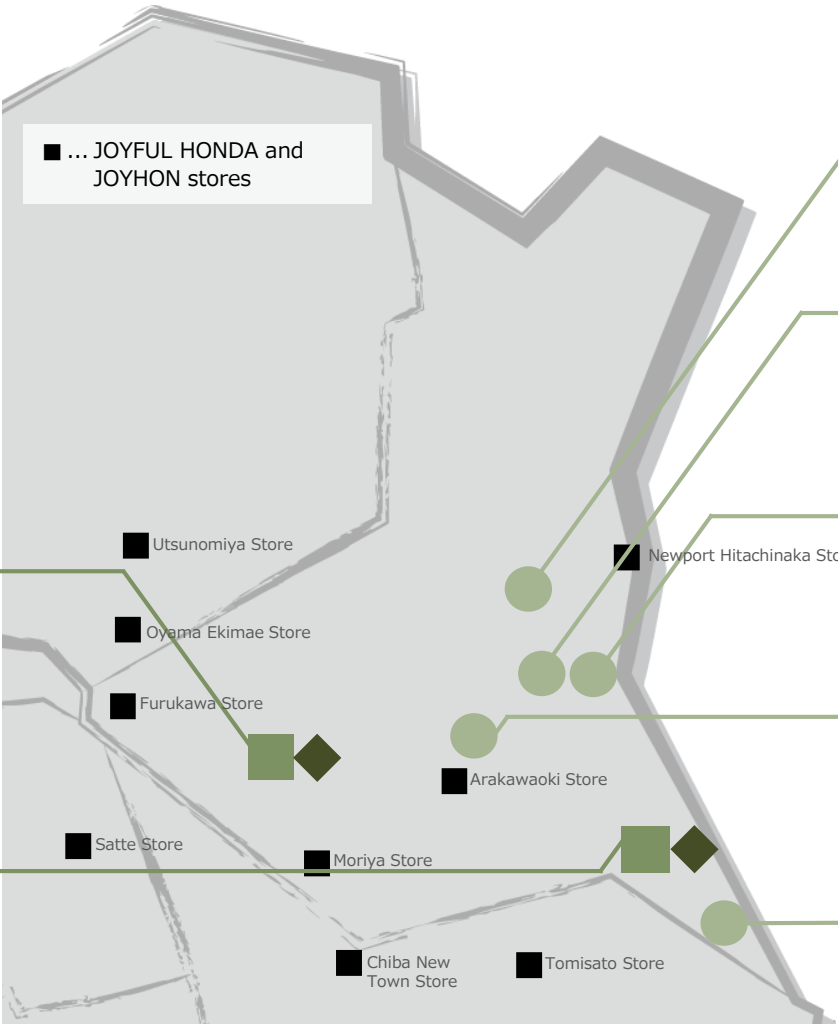
Expanding store network in the southern part of Ibaraki Prefecture

◆ Renovation business

Exterior and renovation center
Itako Store, Ishige Store (with HOMEJOY HONDA)



■ Home center business
HOMEJOY HONDA



● Lumber sales business



Trends in Sales and Composition Ratio by Product Group **JOYFUL HONDA**

	FY2023 Q1	FY2024 Q1	FY2025 Q1	FY2026 Q1
Housing	17,435 (56.3)	17,383 (54.9)	17,867 (54.8)	17,680 (55.1)
Materials & Professional Tools	5,459 (17.6)	5,568 (17.6)	5,981 (18.4)	6,074 (18.9)
Interior & Living	4,187 (13.5)	4,168 (13.2)	4,224 (13.0)	4,169 (13.0)
Garden & Farm	4,148 (13.4)	4,126 (13.0)	4,140 (12.7)	4,168 (13.0)
Renovation & Exterior	3,639 (11.8)	3,519 (11.1)	3,521 (10.8)	3,268 (10.2)
Lifestyle	13,531 (43.7)	14,251 (45.1)	14,715 (45.2)	14,422 (44.9)
Daily Goods	9,382 (30.3)	9,718 (30.7)	10,031 (30.8)	9,820 (30.6)
Pets & Leisure	3,878 (12.5)	4,308 (13.6)	4,439 (13.6)	4,341 (13.5)
Other	269 (0.9)	224 (0.7)	245 (0.8)	260 (0.8)
Total	30,966	31,634	32,583	32,102

Note: Millions of yen and percentage; Figures in parentheses are percentage of sales; Yen amounts are rounded down to millions; percentages are rounded to the first decimal place

Company Profile

JOYFUL HONDA

JOYFUL HONDA CO., LTD. (Securities code: 3191)

Head Office	1-16-2, Fujisaki, Tsuchiura, Ibaraki
Date of incorporation	December 15, 1975
Capital	12 billion yen
Net sales	128.9 billion yen ^{*1}
Number of employees	4,569 (including 1,848 full-time employees) ^{*1}
Representative	Ikuo Hirayama, President
Main business activity	Home center business, Home renovation business
Number of stores	17 home centers and 12 specialty stores
Store areas (Number of home centers / Number of specialty stores)	Chiba (6/4), Ibaraki (4/1), Gunma (3/2), Saitama (1/2), Tochigi (2/1), Tokyo (1/2)
Affiliated companies	MTJ FITNESS Corporation, Honda Co., Ltd.

^{*1} Figures as of June 20, 2025

Cautionary statement concerning forward-looking statements

This material is solely for the purpose of providing information to investors and is not intended as a solicitation to buy or sell.

This document is based on information available as of October 31, 2025.

Forward-looking statements in this document are based on targets and forecasts and do not constitute commitments or guarantees. You should also be aware that the Company's performance in the future may differ in some respects from the Company's current forward-looking statements.

Although statements regarding the industry, etc., are based on various pieces of data that are believed to be reliable, the Company does not guarantee their accuracy or completeness.

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[IR Inquiries]

Public Affairs & IR Department

E-mail: 3191ir@joyfulhonda.co.jp

Tel: +81-29-822-2215 (main)