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May 13, 2026

Consolidated Financial Results for the Nine Months Ended March 31, 2026 [Japanese GAAP]

Company name: Pan Pacific International Holdings Corporation
Listing: Tokyo Stock Exchange
Securities code: 7532
URL: https://ppih.co.jp/en/ir/
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Preparation of supplementary material on financial results: Yes
Holding of financial results briefing: Yes (for institutional investors, analysts, and financial institutions)

(Yen amounts are rounded down to millions, unless otherwise noted.)

1. Consolidated financial results for the nine months of the fiscal year ending June 30, 2026 (July 1, 2025 to March 31, 2026)

(1) Consolidated operating results (Cumulative)

(Percentages indicate year-over-year changes.)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
March 31, 2026	1,826,534	8.2	137,521	6.9	140,363	11.7	93,966	23.8
March 31, 2025	1,688,207	7.7	128,683	16.7	125,668	10.6	75,871	5.3

Note: Comprehensive income
Nine months ended March 31, 2026: ¥ 106,378 million [30.0%]
Nine months ended March 31, 2025: ¥ 81,813 million [8.2%]

	Basic earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
March 31, 2026	31.45	31.33
March 31, 2025	25.42	25.31

Note: The Company conducted a 5-for-1 stock split of its common shares, effective October 1, 2025. Assuming that this stock split had been effective at the beginning of the previous fiscal year, “basic earnings per share” and “diluted earnings per share” for the nine-month period under review have been calculated accordingly.

(2) Consolidated financial position

(Percentages indicate year-over-year changes.)

	Total assets	Net assets	Equity-to-asset ratio
As of	Millions of yen	Millions of yen	%
March 31, 2026	1,558,471	715,174	43.9
June 30, 2025	1,511,445	624,045	40.1

Reference: Equity
As of March 31, 2026: ¥ 684,237 million
As of June 30, 2025: ¥ 605,754 million

Note: During the third quarter of the fiscal year ending June 30, 2026, the Company finalized the provisional accounting treatment relating to a business combination. Accordingly, the figures for the fiscal year ended June 30, 2025 reflect the finalized provisional accounting treatment.

2. Cash dividends

	Annual dividends per share				
	Q1	Q2	Q3	Fiscal year-end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended June 30, 2025	–	9.00	–	26.00	35.00
Fiscal year ending June 30, 2026	–	3.00	–		
Fiscal year ending June 30, 2026 (Forecast)				5.50	8.50

Notes: 1. Revisions to the forecast of cash dividends most recently announced — None
2. The Company conducted a 5-for-1 stock split of its common shares, effective October 1, 2025. For the fiscal year ended June 30, 2025, the actual dividend amount before the stock split is presented.

3. Consolidated earnings forecasts for the fiscal year ending June 30, 2026 (July 1, 2025 to June 30, 2026)

(Percentages indicate year-over-year changes.)

	Net sales		Operating income		Ordinary profit		Profit attributable to owners of parent		Basic earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	2,435,000	8.4	174,000	7.2	172,000	8.5	107,000	18.2	35.80

Note: Revisions to the consolidated earnings forecasts most recently announced — None

Notes

(1) Significant changes in the scope of consolidation during the period: None
Newly included: None
Excluded: None

(2) Adoption of accounting treatment specific to the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting policies, changes in accounting estimates, and restatement
- (i) Changes in accounting policies due to revisions to accounting standards and other regulations: None
- (ii) Changes in accounting policies due to other reasons: None
- (iii) Changes in accounting estimates: None
- (iv) Restatement: None

(4) Number of issued shares (common shares)

(i) Total number of issued shares at the end of the period (including treasury shares)

As of March 31, 2026	3,177,296,700 shares
As of June 30, 2025	3,176,766,700 shares

(ii) Number of treasury shares at the end of the period

As of March 31, 2026	187,818,325 shares
As of June 30, 2025	190,367,105 shares

(iii) Average number of shares outstanding during the period (cumulative from the beginning of the fiscal year)

Nine months ended March 31, 2026	2,987,749,886 shares
Nine months ended March 31, 2025	2,985,177,035 shares

Note: The Company conducted a 5-for-1 stock split of its common shares, effective October 1, 2025. Assuming that this stock split had been effective at the beginning of the previous fiscal year, "total number of issued shares at the end of the period," "number of treasury shares at the end of the period," and "average number of shares outstanding during the period" have been calculated accordingly.

Notes:
- Review of the attached quarterly consolidate financial statements by a certified public accounts or an audit firm: Yes (voluntary)
- Proper use of earnings forecasts, and other special matters

  Cautionary statement regarding forward-looking information
  This document contains forward-looking statements, including the Company's outlook for business results. These statements are based on information currently available to the Company and on certain assumptions that the Company considers reasonable; however, they are not intended to constitute a guarantee of performance. Actual results may differ materially due to various factors. For the assumptions underlying the Company's forecasts and important notes regarding the use of such projections, please refer to page 4 of the accompanying materials, "1. Qualitative Information — (3) Explanation of consolidated earnings forecasts and other forward-looking statements."

  Method of obtaining supplementary materials and contents of the financial results briefing
  The Company plans to hold a financial results briefing for securities analysts and institutional investors on Wednesday, May 13, 2026. The briefing presentation materials will be made available on the Company's website.

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1. Qualitative Information

(1) Consolidated operating results

During the nine-month period ended March 31, 2026, Japan's economy continued to face an uncertain outlook amid the impact of U.S. trade policies, worsening Japan–China relations, and heightened geopolitical risks in the Middle East.

In the retail sector, the operating environment remains challenging, as rising consumer value-seeking behavior—resulting from rising personnel expenses reflecting minimum wage increases and labor shortage, as well as continued price increases—has led to intensified price competition.

Amid these challenging conditions, the Group continued to fully leverage its strengths rooted in store-level authority and individual store-oriented operation approaches that differentiate it from competitors, and pursued growth-oriented management strategy based on proactive sales strategies.

In March 2026, the Group announced its strategy for a new retail format "*Robin Hood, the Astonishingly Fun Store*." *Robin Hood* is a food-focused Donki format designed for everyday shopping within local living areas. It combines UNY Co., Ltd.'s strengths in fresh-food procurement with Don Quijote Co., Ltd.'s expertise in optimizing non-food assortments based on trends and customer needs, together with its "astonishingly affordable" DNA. As a result, *Robin Hood* offers customers an efficient and cost-effective way to shop, while also delivering the fun shopping experience typical of *Don Quijote*, creating a new retail format under the concept of "Supermarket? Not quite."

Moreover, *Robin Hood* is committed to making the shopping experience easier and more enjoyable, and will continue to develop new private-brand products aimed at creating more breathing room in customers' daily lives. The development rules for new private-brand products are based on the concept of "One highlight, one catch," built on the four themes of "Low price, Great value, Fast, Easy." Under these rules, each product's key strength is conveyed in a single, concise message, with packaging designed to communicate its appeal instantly when customers pick it up. In fresh foods such as meat, fish, and vegetables, *Robin Hood* offers a wide selection of time-saving and convenient products, while also featuring a diverse lineup of prepared foods designed to be fun to look at, fun to choose, and fun to eat. In non-food categories, *Robin Hood* leverages *Don Quijote*'s strengths to offer products under five themes, each designed to make customers feel "This works!"

Robin Hood purses *Kyoso*, meaning "co-creation with customers" by creating store environments and products that resonate with customers and evolving the retail format together through ongoing customer feedback and positive responses. By embracing changes and staying closely attuned to customer voices, the format aims to become "a store that keeps evolving through customer voices," with plans to expand to 200 to 300 stores by 2035.

During the period under review, the Group opened ten stores in Japan, all operated by Don Quijote Co., Ltd. The store openings by region were as follows:

- Kanto region: Don Quijote Oizumi (Tokyo); Kirakira Donki Ebina Vinawalk (Kanagawa); Don Quijote (Kirakira Donki) Chiba Fujimi (Chiba); and Re:Price Kumagaya NITTOH MALL (Saitama)
- Tohoku region: KiraKira Donki the Mall at Sendai Nagamachi (Miyagi)
- Chubu region: Don Quijote Takayama (Gifu)
- Kinki region: Don Quijote Shijodori (Kyoto) and Don Quijote Apita Matsusaka Mikumo (Mie)
- Chugoku region: Don Quijote Hatchobori Nishi (Hiroshima)
- Shikoku region: Don Quijote Yashima (Kagawa)

In the overseas business, the Group opened three stores in California, U.S.—Tokyo Central Irvine, Gelson's Toluca Lake, and a sushi restaurant in El Dorado Hills—along with one store in Thailand, DON DON DONKI Central Westgate.

Meanwhile, the Group closed two stores in the domestic business, one store in the North America business, and four stores in the Asia business.

As a result, the Group operated a total of 786 stores worldwide as of March 31, 2026, comprising 663 domestic stores and 123 overseas stores, compared with 779 stores as of June 30, 2025.

As a result of the above, the consolidated results for the nine-month period under review were as follows:

Net sales	¥1,826.534 billion	(up 8.2% year-over-year)
Operating income	¥137.521 billion	(up 6.9% year-over-year)
Ordinary profit	¥140.363 billion	(up 11.7% year-over-year)
Profit attributable to owners of parent	¥93.966 billion	(up 23.8% year-over-year)

Performance by reportable segment is as follows.

Domestic Business

Net sales were ¥1,546.349 billion, up 8.7% year-over-year, and operating income was ¥130.505 billion, up 4.8% year-over-year in the Domestic Business segment. Consumer value-seeking behavior and selective spending have been increasing amid continued price increases and an uncertain outlook. Under these circumstances, the Group bolstered sales promotion initiatives in response to changes in consumer purchasing behavior, resulting in higher customer traffic and increased sales of food and daily necessities. Moreover, in response to growing demand for high value-added products, sales of skincare products and trend-driven items favored by customers have been strong. Tax-free sales also increased as a result of diversified promotional initiatives to create reasons for inbound customers to visit our stores—not reliant on specific countries or regions—along with the expansion of product offerings for foreign visitors to Japan. Furthermore, same-store sales increased 4.7% year-on-year, supported by strategic rollout of new stores aimed at expanding market share, as well as enhanced services for *majica* members.

Operating income increased despite higher selling, general, and administrative (SG&A) expenses. SG&A expenses increased mainly due to new store openings, higher personnel expenses resulting from minimum wage increases, an increase in subsidiaries subject to factor-based tax, and higher tax-free-related costs.

North America Business

Net sales were ¥208.027 billion, up 5.0% year-over-year, and operating income was ¥3.165 billion, up 6.2% year-over-year in the North America Business segment. Net sales and SG&A expenses increased due to new store openings and the consolidation of Mikuni Restaurant Group, Inc. as a subsidiary. These increases were partly offset by decreases resulting from store losses caused by a wildfire that occurred in the previous fiscal year. Operating income increased supported by the impact of store closures and lower personnel expenses at existing stores—resulting from workforce realignment and improved management of working hours—despite higher costs associated mainly with strategic new store openings.

Asia Business

Net sales were ¥72.158 billion, up 7.7% year-over-year, and operating income was ¥3.851 billion, up 222.3% year-over-year in the Asia Business segment. Net sales increased supported by operational improvements such as merchandise procurement leveraging local distribution channels, expanded spot-buy items, faster introduction of new products, and pricing strategies of Japanese popular products, the impacts of which spread across the Asian region. In addition, operating income also increased significantly, driven by lower personnel expenses achieved through the closure of unprofitable stores, the rollout of self-checkout systems, and enhanced personnel development and labor productivity through multi-skilled operations, as well as by a comprehensive review of SG&A expenses.

(2) Consolidated financial position

In the previous fiscal year, the Group applied provisional accounting treatment to the business combination with Mikuni Restaurant Group, Inc. executed on April 1, 2025, and finalized this treatment during the third quarter of the fiscal year under review. Following this finalization, the Group conducted a comparative analysis for the previous fiscal year using figures reflecting the retrospective application.

(Unit: Millions of yen; amounts are rounded to the nearest million yen.)

	As of June 30, 2025	As of March 31, 2026	Change
Total assets	1,511,445	1,558,471	47,026
Total liabilities	887,401	843,297	(44,104)
Total net assets	624,045	715,174	91,129

1. Assets, liabilities, and net assets

At the end of the nine-month period ended March 31, 2026, total assets increased by ¥47.026 billion from the end of the previous fiscal year on June 30, 2025 to ¥1,558.471 billion. This increase was mainly due to increases in cash and deposits of ¥7.375 billion, notes and accounts receivable – trade of ¥5.179 billion, merchandise and finished goods of ¥17.926 billion, property, plant and equipment of ¥18.324 billion, and intangible assets of ¥7.534 billion, partly offset by a decrease in investment securities of ¥11.863 billion.

Total liabilities decreased by ¥44.104 billion from the end of the previous fiscal year to ¥843.297 billion. This decrease was mainly due to increases in notes and accounts payable – trade of ¥12.881 billion and bonds payable of ¥9.402 billion, partly offset by decreases in income taxes payable of ¥6.670 billion and borrowings of ¥55.437 billion.

Total net assets increased by ¥91.129 billion from the end of the previous fiscal year to ¥715.174 billion. This increase was mainly due to an increase in retained earnings of ¥69.470 billion—mainly reflecting the dividends paid and recording of profit attributable to owners of parent—and an increase in non-controlling interests of ¥12.843 billion.

2. Cash flows

At the end of the nine-month period ended March 31, 2026, cash and cash equivalents increased by ¥7.763 billion from the end of the previous fiscal year to ¥183.6 billion.

The cash flows from each activity and their underlying factors were as follows.

Cash flows from operating activities

Net cash provided by operating activities was ¥110.439 billion, up ¥22.909 billion year-over-year. This increase was mainly due to profit before income taxes of ¥140.293 billion, depreciation of ¥39.331 billion, and an increase in trade payables of ¥8.407 billion, partly offset by an increase in inventories of ¥15.146 billion and income taxes paid of ¥48.031 billion.

Cash flows from investing activities

Net cash used in investing activities was ¥46.767 billion, up ¥9.827 billion year-over-year. This increase was mainly due to purchase of property, plant and equipment of ¥36.629 billion and the purchase of intangible assets of ¥11.008 billion.

Cash flows from financing activities

Net cash used in financing activities was ¥80.172 billion, up ¥36.523 billion year-over-year. This increase was mainly due to cash outflows resulting from repayments of long-term borrowings of ¥55.671 billion, dividends paid of ¥24.495 billion, and redemption of bonds of ¥20.650 billion, partly offset by a cash inflow resulting from proceeds from issuance of bonds of ¥29.924 billion.

(3) Explanation of consolidated earnings forecasts and other forward-looking statements

There have been no changes to the full-year consolidated earnings forecasts announced on February 12, 2026 in the “Consolidated Financial Results for the Six Months Ended December 31, 2025.” Note that the Group’s business operations are subject to various risks and uncertainties. Accordingly, factors that could materially impact actual financial results include the economic environment and market trends surrounding the Company and the Group.

2. Quarterly Consolidated Financial Statements and Material Notes Thereto

(1) Quarterly consolidated balance sheets

(Millions of yen)

	As of June 30, 2025	As of March 31, 2026
Assets		
Current assets		
Cash and deposits	171,958	**179,333**
Notes and accounts receivable - trade	18,956	**24,135**
Accounts receivable - installment	57,749	**59,793**
Operating loans	9,456	**9,198**
Merchandise and finished goods	224,902	**242,828**
Prepaid expenses	9,476	**9,774**
Deposits paid	5,764	**7,512**
Other	35,367	**36,181**
Allowance for doubtful accounts	(5,637)	**(4,435)**
Total current assets	527,990	**564,319**
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	295,714	**296,457**
Tools, furniture and fixtures, net	37,895	**40,971**
Land	354,219	**364,470**
Construction in progress	3,657	**5,593**
Right-of-use assets, net	24,982	**27,233**
Other, net	1,565	**1,633**
Total property, plant and equipment	718,033	**736,357**
Intangible assets		
Goodwill	63,224	**65,228**
Other	40,738	**46,268**
Total intangible assets	103,962	**111,496**
Investments and other assets		
Investment securities	37,901	**26,038**
Long-term prepaid expenses	4,460	**4,206**
Retirement benefit asset	18,355	**19,695**
Deferred tax assets	28,042	**26,521**
Leasehold and guarantee deposits	68,226	**67,154**
Other	5,617	**3,669**
Allowance for doubtful accounts	(1,140)	**(984)**
Total investments and other assets	161,461	**146,299**
Total non-current assets	983,455	**994,152**
Total assets	1,511,445	**1,558,471**

(Millions of yen)

	As of June 30, 2025	As of March 31, 2026
Liabilities		
Current liabilities		
Notes and accounts payable - trade	194,883	**207,764**
Current portion of long-term borrowings	56,375	**18,123**
Current portion of bonds payable	20,650	**64,477**
Accounts payable - other	57,757	**53,695**
Lease liabilities	2,853	**3,389**
Accrued expenses	29,540	**28,031**
Deposits received	13,396	**13,425**
Income taxes payable	29,299	**22,629**
Provision for point card certificates	1,598	**1,272**
Contract liabilities	20,055	**18,611**
Other	15,475	**15,379**
Total current liabilities	441,881	**446,794**
Non-current liabilities		
Bonds payable	170,425	**136,000**
Long-term borrowings	156,929	**139,744**
Lease liabilities	35,501	**36,998**
Asset retirement obligations	32,077	**33,098**
Other	50,588	**50,662**
Total non-current liabilities	445,520	**396,503**
Total liabilities	887,401	**843,297**
Net assets		
Shareholders' equity		
Share capital	23,689	**23,738**
Capital surplus	17,810	**14,908**
Retained earnings	629,753	**699,223**
Treasury shares	(80,957)	**(79,873)**
Total shareholders' equity	590,294	**657,995**
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	3,161	**4,108**
Foreign currency translation adjustment	11,656	**21,586**
Remeasurements of defined benefit plans	643	**547**
Total accumulated other comprehensive income	15,460	**26,241**
Share acquisition rights	2,080	**1,884**
Non-controlling interests	16,210	**29,053**
Total net assets	624,045	**715,174**
Total liabilities and net assets	1,511,445	**1,558,471**

(2) Quarterly consolidated statements of income and quarterly consolidated statements of comprehensive income

Quarterly consolidated statements of income

(Millions of yen)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026
Net sales	1,688,207	**1,826,534**
Cost of sales	1,149,496	**1,253,810**
Gross profit	538,712	**572,724**
Selling, general and administrative expenses	410,029	**435,203**
Operating income	128,683	**137,521**
Non-operating income		
Interest and dividend income	968	**1,568**
Share of profit of entities accounted for using equity method	542	**300**
Foreign exchange gains	–	**3,445**
Other	4,610	**3,047**
Total non-operating income	6,120	**8,360**
Non-operating expenses		
Interest expenses	4,845	**4,711**
Foreign exchange losses	3,529	**–**
Other	760	**807**
Total non-operating expenses	9,135	**5,518**
Ordinary profit	125,668	**140,363**
Extraordinary income		
Gain on sale of non-current assets	213	**688**
Reversal of provision for loss on store closings	769	**–**
Gain on insurance claims	–	**294**
Gain on forgiveness of debts	–	**1,330**
Gain on step acquisitions	–	**362**
Gain on reversal of foreign currency translation adjustment	–	**704**
Other	7	**280**
Total extraordinary income	988	**3,658**
Extraordinary losses		
Impairment losses	2,678	**242**
Loss on retirement of non-current assets	940	**1,200**
Loss on store closings	2,067	**216**
Loss on valuation of investment securities	200	**683**
Loss on disaster	32	**319**
Loss on litigation	–	**799**
Other	147	**270**
Total extraordinary losses	6,064	**3,728**
Profit before income taxes	120,592	**140,293**
Income taxes - current	41,499	**40,891**
Income taxes - deferred	2,281	**3,756**
Total income taxes	43,780	**44,647**
Profit	76,812	**95,645**
Profit attributable to non-controlling interests	941	**1,680**
Profit attributable to owners of parent	75,871	**93,966**

Quarterly consolidated statements of comprehensive income

(Millions of yen)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026
Profit	76,812	**95,645**
Other comprehensive income		
Valuation difference on available-for-sale securities	(571)	**778**
Foreign currency translation adjustment	5,540	**10,017**
Remeasurements of defined benefit plans, net of tax	(55)	**119**
Share of other comprehensive income of entities accounted for using equity method	88	**(181)**
Total other comprehensive income	5,002	**10,732**
Comprehensive income	81,813	**106,378**
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	81,075	**104,747**
Comprehensive income attributable to non-controlling interests	738	**1,631**

(3) Quarterly consolidated statements of cash flows

(Millions of yen)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026
Cash flows from operating activities		
Profit before income taxes	120,592	**140,293**
Depreciation	35,564	**39,331**
Impairment losses	2,678	**242**
Increase (decrease) in provisions	1,814	**(4,123)**
Interest and dividend income	(968)	**(1,568)**
Interest expenses on borrowings and bonds	4,845	**4,711**
Foreign exchange losses (gains)	3,567	**(3,013)**
Share of loss (profit) of entities accounted for using equity method	(542)	**(300)**
Loss (gain) on sale and retirement of non-current assets	758	**566**
Gain on forgiveness of debts	–	**(1,330)**
Loss (gain) on step acquisitions	–	**(362)**
Loss on store closings	2,067	**216**
Decrease (increase) in trade receivables	(1,401)	**(726)**
Decrease (increase) in inventories	(20,576)	**(15,146)**
Increase (decrease) in trade payables	(3,840)	**8,407**
Decrease (increase) in accounts receivable - installment	(2,833)	**(2,201)**
Increase (decrease) in accounts payable - other	(3,656)	**(2,541)**
Increase (decrease) in income taxes payable - factor based tax	(168)	**(2,162)**
Increase (decrease) in deposits received	1,696	**1,450**
Other, net	(5,102)	**(4,418)**
Subtotal	134,497	**157,324**
Interest and dividends received	788	**1,407**
Interest paid	(4,989)	**(4,964)**
Income taxes paid	(46,954)	**(48,031)**
Income taxes refund	3,383	**1,590**
Proceeds from insurance income	1,055	**3,244**
Payments associated with disaster loss	(322)	**(133)**
Dividends received from entities accounted for using equity method	73	**–**
Net cash provided by (used in) operating activities	87,530	**110,439**
Cash flows from investing activities		
Purchase of property, plant and equipment	(29,489)	**(36,629)**
Proceeds from sale of property, plant and equipment	3,140	**2,200**
Purchase of intangible assets	(9,572)	**(11,008)**
Decrease (increase) in time deposits	–	**(1,005)**
Payments of leasehold and guarantee deposits	(874)	**(645)**
Proceeds from refund of leasehold and guarantee deposits	549	**1,482**
Payment for store opening in progress	(672)	**(764)**
Purchase of shares of subsidiaries resulting in change in scope of consolidation	–	**(274)**
Other, net	(20)	**(123)**
Net cash provided by (used in) investing activities	(36,940)	**(46,767)**

(Millions of yen)

	Nine months ended March 31, 2025	Nine months ended March 31, 2026
Cash flows from financing activities		
Proceeds from long-term borrowings	40,000	**–**
Repayments of long-term borrowings	(67,517)	**(55,671)**
Proceeds from issuance of bonds	–	**29,924**
Redemption of bonds	(650)	**(20,650)**
Dividends paid	(20,297)	**(24,495)**
Proceeds from share issuance to non-controlling shareholders	6,120	**–**
Purchase of shares of subsidiaries not resulting in change in scope of consolidation	–	**(8,130)**
Other, net	(1,304)	**(1,149)**
Net cash provided by (used in) financing activities	(43,649)	**(80,172)**
Effect of exchange rate change on cash and cash equivalents	(2,291)	**6,399**
Net increase (decrease) in cash and cash equivalents	4,651	**(10,101)**
Cash and cash equivalents at beginning of period	187,199	**175,837**
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation	–	**17,864**
Cash and cash equivalents at end of period	191,850	**183,600**

(4) Notes to the quarterly consolidated financial statements

Notes on the going concern assumptions

Not applicable.

Notes on significant changes in shareholders' equity

Not applicable.

Significant changes in the scope of consolidation during the period under review

Kanemi Co., Ltd., an equity-method affiliate of the Company, repurchased a portion of its issued shares as treasury shares during the three-month period ended September 30, 2025, resulting in the Company holding 40.3% of its voting rights. Accordingly, Kanemi Co., Ltd. was newly included in the scope of consolidation under the substantive control standard. Kanemi Co., Ltd. does not qualify as a specified subsidiary.

Business combination and related matters

Finalization of the provisional accounting treatment relating to a business combination

The Group applied provisional accounting treatment to the business combination with Mikuni Restaurant Group, Inc., which was executed on April 1, 2025, in the previous fiscal year, and finalized such treatment during the third quarter of the fiscal year under review.

Following the finalization of the provisional accounting treatment, significant revisions to the initial allocation of the acquisition cost are reflected in the comparative information included in the quarterly consolidated financial statements for the nine-month period of the fiscal year under review.

As a result of this finalized accounting treatment, the provisionally calculated goodwill of ¥10,050 million increased ¥371 million to ¥10,422 million. Moreover, as of the end of the previous fiscal year, the following balance sheet items increased:

- Right-of-use assets, net: ¥48 million
- Accounts payable – other: ¥274 million
- Lease liabilities under current liabilities: ¥14 million
- Lease liabilities under non-current liabilities ¥131 million
- Foreign currency translation adjustment: ¥0 million
- Non-controlling interests: ¥0 million

There is no impact on the quarterly consolidated statements of income for the previous nine-month period ended March 31, 2025.

Notes on segment information and related disclosures

Segment information

I. Nine-month period ended March 31, 2025 (July 1, 2024 to March 31, 2025)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments				Adjustment	Amount recorded in quarterly consolidated statements of income
	Domestic Business	North America Business	Asia Business	Total		
Net sales						
Sales to external customers	1,423,187	198,052	66,968	1,688,207	—	1,688,207
Intersegment sales or transfers	10,173	–	184	10,357	(10,357)	–
Total	1,433,361	198,052	67,151	1,698,564	(10,357)	1,688,207
Segment profit	124,507	2,980	1,195	128,683	–	128,683

Note: Segment profit corresponds to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses on property, plant and equipment and on goodwill by reportable segment

Significant impairment losses on property, plant and equipment

The North America Business segment and the Asia Business segment recognized impairment losses on store facilities and idle assets. In the prior nine-month period ended March 31, 2025, the amounts of impairment losses recognized were ¥2,310 million for the North America Business segment and ¥367 million for the Asia Business segment.

Significant changes in goodwill

Not applicable.

Significant gains on bargain purchase

Not applicable.

II. Nine-month period ended March 31, 2026 (July 1, 2025 to March 31, 2026)

1. Information on net sales and profit or loss by reportable segment

(Millions of yen)

	Reportable segments				Adjustment	Amount recorded in quarterly consolidated statements of income
	Domestic Business	North America Business	Asia Business	Total		
Net sales						
Sales to external customers	1,546,349	208,027	72,158	1,826,534	–	1,826,534
Intersegment sales or transfers	10,044	–	201	10,245	(10,245)	–
Total	1,556,393	208,027	72,359	1,836,779	(10,245)	1,826,534
Segment profit	130,505	3,165	3,851	137,521	—	137,521

Note: Segment profit corresponds to operating income in the quarterly consolidated statements of income.

2. Information on impairment losses on property, plant and equipment and on goodwill by reportable segment

Significant impairment losses on property, plant and equipment

The Domestic Business segment, the North America Business segment, and the Asia Business segment recognized impairment losses on store facilities. The amounts recognized in the nine-month period ended March 31, 2026, were ¥105 million for the Domestic Business segment, ¥110 million for the North America Business segment, and ¥27 million for the Asia Business segment.

Significant changes in goodwill

Goodwill of ¥1,699 million was recognized in the Domestic Business segment as a result of Kanemi Co., Ltd. being newly included in the scope of consolidation during the nine-month period ended March 31, 2026.

Moreover, with respect to the business combination with Mikuni Restaurant Group, Inc. on April 1, 2025, the acquisition cost allocation had initially been incomplete, and the amount of goodwill was therefore determined on a provisional basis. As the allocation was finalized during the third quarter of the fiscal year under review, the provisional accounting treatment was completed, resulting in a corresponding revision to goodwill in the North America Business segment.

Significant gains on bargain purchase

Not applicable.

Significant subsequent events

Business integration with Olympic Group Corporation through a share exchange agreement

The Company and Olympic Group Corporation (hereinafter "Olympic Group," and together with the Company, hereinafter the "Companies") resolved at their respective Boards of Directors meetings on April 6, 2026 to conduct a business integration through a share exchange (hereinafter the "Share Exchange") with the Company as the wholly owning parent company resulting from the Share Exchange and Olympic Group as the wholly owned subsidiary resulting from the Share Exchange. On the same day, the Companies entered into a share exchange agreement (hereinafter the "Share Exchange Agreement").

The Share Exchange is scheduled to be conducted upon obtaining approval for the Share Exchange Agreement by resolution at the annual general meeting of shareholders of Olympic Group, which is scheduled to be held on May 28, 2026. With respect to the Company, the Share Exchange is scheduled to be conducted without obtaining approval for the Share Exchange Agreement by resolution at the general meeting of shareholders, through the procedure of a simplified share exchange based on the provisions of Article 796, paragraph (2) of the Companies Act (Act No. 86 of 2005, as amended).

For details, please refer to "Notice Regarding the Conclusion of a Share Exchange Agreement between Pan Pacific International Holdings Corporation (PPIH) and Olympic Group Corporation, and Change in PPIH's Subsidiary Status" announced on April 6, 2026.

(1) Overview of the Share Exchange

(i) Name and business description of the wholly owned subsidiary resulting from the Share Exchange

Name of the wholly owned subsidiary resulting from the Share Exchange: Olympic Group Corporation

Business description: Formulation of business strategies for the Olympic Group as a whole, allocation of management resources, centralized management of indirect operations, and the management and operation of shopping centers, among others

(ii) Primary reasons for implementing the Share Exchange

Olympic Group operates stores primarily in the Tokyo metropolitan area, and by converting these stores into the *Don Quijote* or *MEGA Don Quijote* formats, the Group expects to expand its store network. In addition, the new retail format *Robin Hood* is expected to enable comprehensive regional expansion centered around the Kanto region, and is anticipated to accelerate both the launch of the new format and the pace of store openings. Furthermore, the Group expects to enhance its competitiveness in the non-food category by combining the price competitiveness in food products and daily necessities of the Group and the Olympic Group with the Olympic Group's expertise in the non-food category.

(iii) Effective date of this share exchange

July 1, 2026 (scheduled)

(iv) Legal form of business integration

Share exchange

(v) Names of the companies after the business integration

No change

(vi) Ratio of voting rights to be acquired

Ratio of voting rights to be acquired through the Share Exchange 100%

(vii) Primary basis for determining the acquiree

Acquisition of the 100% voting rights of Olympic Group through the Share Exchange

(2) Share exchange ratio by class of shares, the method for calculating such ratio, and the number of shares to be delivered

(i) Share exchange ratio by class of shares

1.18 shares of the common shares of the Company shall be delivered per share of Olympic Group

(ii) Method for calculating share exchange ratio

To secure fairness and appropriateness, each of the Companies requested an independent third-party valuation institution to calculate the share exchange ratio, and determined the ratio through discussions between the parties based on the submitted reports.

(iii) Number of shares to be delivered

Treasury shares of the Company 27,105,250 shares (scheduled)

(3) Amount of goodwill to be recognized, reasons for recognition, amortization methods and periods

These items have not been determined at this time.

(4) Amounts of assets acquired and liabilities assumed at the business combination date and their major components

These items have not been determined at this time.

Independent Auditor's Review Report on Quarterly Consolidated Financial Statements

May 13, 2026

The Board of Directors
Pan Pacific International Holdings Corporation

UHY Tokyo & Co.
Shinagawa-ku, Tokyo

Nobuyuki Hara
Certified Public Accountant
Designated and Engagement Partner

Hikoichi Inoue
Certified Public Accountant
Designated and Engagement Partner

Akira Yasukouchi
Certified Public Accountant
Designated and Engagement Partner

Auditor's Conclusion

We have reviewed the quarterly consolidated financial statements of Pan Pacific International Holdings Corporation (the "Company") for the three-month period from January 1, 2026 to March 31, 2026 and for the nine-month period from July 1, 2025 to March 31, 2026 of the fiscal year from July 1, 2025 to June 30, 2026, which are included in the Attachments of the quarterly Consolidated Financial Results. These quarterly financial statements comprise the quarterly consolidated balance sheets, the consolidated statements of income and comprehensive income, the quarterly consolidated statements of cash flows, and notes thereto.

Based on the interim review conducted by our audit firm, nothing has come to our attention that causes us to believe that the above-mentioned quarterly consolidated financial statements are not prepared, in all material respects, in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange and with accounting standards generally accepted in Japan for quarterly financial statements; provided that the omission of certain disclosures prescribed in Article 4, paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc. has been applied.

Basis for Conclusion

We conducted our interim review in accordance with standards for interim review generally accepted in Japan. Our responsibilities under these standards are further described in the Auditor's Responsibility for the Interim Review of the Quarterly Consolidated Financial Statements section of this report. We are independent of the Company and its consolidated subsidiaries in accordance with the ethical requirements applicable in Japan, including those applicable to audits of financial statements of entities with significant public interest, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe we have obtained sufficient and appropriate evidence to provide a basis for our conclusion.

Emphasis of Matter

As described in the Significant subsequent events section, the Company resolved at its Boards of Directors meetings held on April 6, 2026, to conduct a business integration through a share exchange, with Olympic Group Corporation as the wholly owned subsidiary resulting from a share exchange, and on the same day entered into a share exchange agreement.

This matter does not affect our conclusion.

Responsibilities of Management and the Audit & Supervisory Committee for the Quarterly Consolidated Financial Statements

Management is responsible for the preparation of the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange and accounting standards for quarterly financial statements that are generally accepted in Japan; provided that the omission of certain disclosures as stipulated in Article 4, paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc. has been applied. These responsibilities include designing and operating internal controls that management determines necessary to enable the preparation of quarterly consolidated financial statements free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing whether it is appropriate to prepare the quarterly consolidated financial statements based on the going concern assumption, and for disclosing matters related to going concern, if such disclosure is required, in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange, Inc. and accounting standards for quarterly financial statements that are generally accepted in Japan; provided that the omission of certain disclosures as stipulated in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc. has been applied.

The responsibility of the Audit & Supervisory Committee is to monitor the execution of duties by directors with respect to the design and operation of the financial reporting process.

Auditor's Responsibility for the Interim Review of the Quarterly Consolidated Financial Statements

The auditor's responsibility is to express a conclusion on the quarterly consolidated financial statements from an independent standpoint in the interim review report, based on the interim review performed by the auditor.

The auditor conducts the interim review in accordance with interim review standards that are generally accepted in Japan. Throughout the interim review process, the auditor exercises professional judgment and maintains professional skepticism in performing the following procedures:

- The auditor performs inquiries of management and persons responsible for financial and accounting matters, analytical procedures, and other interim review procedures. Interim review procedures are less in scope than an audit of annual financial statements conducted in accordance with auditing standards generally accepted in Japan.
- With respect to matters related to the going concern assumption, if the auditor concludes that a material uncertainty exists related to events or conditions that may cast material doubt on the Company's ability to continue as a going concern, the auditor concludes, based on the evidence obtained, whether there are any matters that lead the auditor to believe that the quarterly consolidated financial statements have not been prepared in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange, Inc. and accounting standards for quarterly financial statements that are generally accepted in Japan; provided that the omission of certain disclosures as stipulated in Article 4, Paragraph 2 of the Standards for the Preparation of Quarterly Financial Statements, etc. has been applied. If a material uncertainty related to going concern exists, the auditor is required to draw attention in the interim review report to the related note disclosures in the quarterly consolidated financial statements, or, if such disclosures are inadequate, to express a qualified conclusion or an adverse conclusion on the quarterly consolidated financial statements. The auditor's conclusion is based on the evidence obtained up to the date of the interim review report; however, future events or conditions may cause the Company to cease to continue as a going concern.
- The auditor evaluates whether there are any matters that lead the auditor to believe that the presentation and note disclosures of the quarterly consolidated financial statements have not been prepared in accordance with Article 4, Paragraph 1 of the Standards for the Preparation of Quarterly Financial Statements, etc. prescribed by the Tokyo Stock Exchange, Inc. and accounting standards for quarterly financial statements that are generally accepted in Japan; provided that the omission of certain disclosures as stipulated in Article 4, Paragraph 2 of the

Standards for the Preparation of Quarterly Financial Statements, etc. has been applied.

- The auditor obtains evidence regarding the financial information of the Company and its consolidated subsidiaries to provide a basis for expressing a conclusion on the quarterly consolidated financial statements. The auditor is responsible for directing, supervising, and reviewing the interim review of the quarterly consolidated financial statements. Responsibility for the auditor's conclusion rests solely with the auditor.

The auditor reports to the Audit & Supervisory Committee regarding the planned scope and timing of the interim review, as well as material findings arising from the interim review.

The auditor reports to the Audit & Supervisory Committee that the auditor has complied with relevant ethical requirements regarding independence in Japan. The auditor also reports to the Audit & Supervisory Committee the relationships and other matters that may reasonably be thought to bear on the auditor's independence and, where applicable, the related safeguards applied to eliminate threats to independence or reduce such threats to an acceptable level.

Conflicts of Interest

Neither the Company nor its consolidated subsidiaries have any interests that are required to be disclosed under the Certified Public Accountants Act in relation to the audit firm or the engagement partners.

Notes:
1. The original of the above interim review report is retained separately by the Company that discloses quarterly financial results materials.
2. The XBRL data and HTML data are not subject to the interim review.