

# Q3 Results for FY6/26

May 13, 2026

Pan Pacific International Holdings Corporation

## 1 Q3 FY6/26 Overview

## 2 Appendix

### Notes

1. The actual monetary figures presented in these materials are rounded to the nearest full unit.
2. The following abbreviations are used: Pan Pacific International Holdings (7532) as "PPIH," Discount Store as "DS," Don Quijote Co., Ltd. and its stores as "DQ," UNY Co., Ltd. as "UNY," UD Retail Co., Ltd. as "UDR," Singapore as "SG," " Hong Kong as "HK," Thailand as "TH," Taiwan as "TW," Malaysia as "MY," Macau as "MO" and Group as "GP."
3. PPIH applies the "Ordinance on Terminology, Forms, and Preparation Methods of Consolidated Financial Statements," but there are sections where the account items and other information have been simplified to an extent where they do not change the intent or meaning of the contents.
4. The exchange rates used for overseas operations are below. The different exchange rates are applied to Gelson's because its fiscal year ends in June.

Unit: Yen	USD U.S dollar		USD (Gelson's)		SGD Singapore dollar		THB Thai baht		HKD Hong Kong dollar		TWD Taiwan dollar	
	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S	P/L	B/S
FY6/25	153.07	158.17	150.70	149.53	114.63	116.51	4.37	4.65	19.64	20.38	4.73	4.82
FY6/26	149.31	156.54	153.55	159.93	115.63	121.77	4.60	4.95	19.14	20.13	4.88	4.99

Regarding exchange rates:

P/L figures reflect YTD average exchange rates by entity (July 2025 to March 2026 for Gelson's; April 2025 to December 2025 for all other entities)

B/S figures reflect exchange rates as of the respective period-end (end of March 2026 for Gelson's; end of December 2025 for all other entities)

## Q3 FY6/26 Overall Review

- **Steady progress in capturing the defined total addressable market (TAM) to expand market share.**
  - ✓ Opened the first Food-focused Donki “Robin Hood” store, launching a new format designed to capture demand in small catchment areas.
  - ✓ Built the foundation for expanding the MEGA Donki format, while creating new reasons to visit through the deli strategy.
  - ✓ Established high-profit store models, including “Rail-side Donki” and “Inbound-focused Satellite Donki,” under the store opening strategy.
- **Net sales reached ¥1.8265 tn, up ¥138.3 bn/+8.2% YoY, driven by successful responses to changes in customer behavior and performance ahead of plan.**
  - ✓ Net sales: Agile pricing actions, including enhanced majica promotions, addressed increased cost-consciousness following Middle East geopolitical developments. Tax-free sales from visiting foreign customers expanded nationwide, and solid personal consumption demand reflecting customer interests and preferences drove same-store sales growth. Contributions from newly consolidated domestic and overseas entities and new store openings also supported sales.
- **Operating income reached ¥137.5 bn, up ¥8.8 bn/+6.9% YoY, with an operating margin of 7.5%/-0.1 pts YoY. Confidence in meeting full-year guidance improved, but it remains unchanged given ongoing external uncertainties.**
  - ✓ Gross profit: Gross margin was 31.4%/-0.5 pts YoY, including a 0.3 pts negative impact from Kanemi Co., Ltd. (Kanemi). Price strategies prioritizing sales growth weighed on margin, but gross profit increased in absolute terms, supported by higher net sales and customer traffic.
  - ✓ SG&A expenses: The SG&A ratio was 23.8%/-0.5 pts YoY, including a 0.3 pts negative impact from Kanemi. SG&A expenses increased due to a ¥2.8 bn YTD impact from factor-based business taxes and growth investments in personnel, new stores, and systems. These increases were offset by net sales growth, continued PPIH-style productivity improvements, and lower utilities and advertising expenses, keeping the SG&A ratio well controlled.
- **Announced the execution of a share exchange agreement with Olympic Group Corporation, with details to be disclosed in the full-year earnings release.**

# **Q3 FY6/26 Overview**

# Financial Highlights for the Nine Months Ended March 31, 2026

- Kanemi consolidation structurally reduced both gross margin and the SG&A ratio by 0.3 pts
- Like-for-like operating margin was 7.8%, excluding factor-based business taxes of ¥2.8 bn and the impact of Kanemi consolidation

【YTD: July 1, 2025 to March 31, 2026】

(Bn yen)

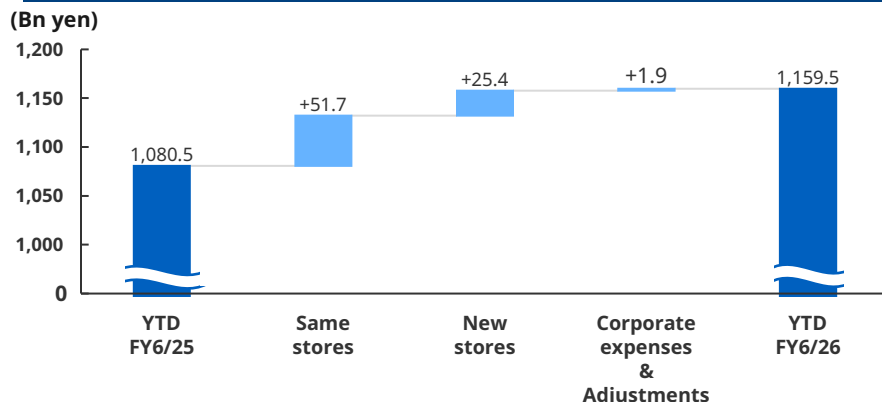
	YTD FY6/25		YTD FY6/26 *included Kanemi				YTD FY6/26 *excluded Kanemi	
	Amount	% of net sales	Amount	% of net sales	Change	YoY(%)	Amount	% of net sales
Net sales	1,688.2	-	1,826.5	-	+138.3	+8.2%	1,782.4	-
Gross profit	538.7	31.9%	572.7	31.4%	+34.0	+6.3%	564.9	31.7%
SG&A	410.0	24.3%	435.2	23.8%	+25.2	+6.1%	428.8	24.1%
Operating income	128.7	7.6%	137.5	7.5%	+8.8	+6.9%	136.1	7.6%
Ordinary profit	125.7	7.4%	140.4	7.7%	+14.7	+11.7%	138.9	7.8%
Profit attributable to owners of parent	75.9	4.5%	94.0	5.1%	+18.1	+23.8%	93.7	5.3%
Basic EPS (¥)	¥25.42	-	¥31.45	-	+¥6.03	+23.7%	-	-
EBITDA	164.5	9.7%	176.5	9.7%	+12.0	+7.3%	-	-

Note: From FY6/25, EBITA is disclosed as a static measure of operating performance, excluding the impact of capital expenditures and other non-cash items.  
EBITDA = Operating income + Depreciation of property, plant and equipment + Amortization of intangible assets + Stock-based compensation

# Discount Store (DS) Business

**Net sales reached ¥1.1595 tn, up ¥79.0 bn YoY, driven by stronger traffic at same stores under an enhanced price strategy aligned with evolving consumer trends. Operating income reached ¥83.5 bn, up ¥1.2 bn YoY, supported by gross profit growth in line with plan despite higher SG&A from growth investments and a ¥2.8 bn YTD factor-based tax impact.**

## FY6/26 YTD Net Sales Details



## FY6/26 YTD Operating Income Details



*Note on "Gross profit": Now reflects the impact of changes in overall gross margin, rather than same-store gross margin.*

### ■ Same-store sales increased 5.0% YoY, ahead of plan

- ✓ Customer traffic increased 2.3% YoY, supported by accelerated promotions centered on pricing initiatives amid rising price sensitivity, while trend items aligned with customer preferences performed well.
- ✓ Tax free sales reached ¥165.2 bn, up 32.8% YoY, supported by continued demand from visitors from East Asia, Europe, and the U.S., despite an approximately 40% YoY decline from Mainland China in Q3.

### ■ Gross margin was 27.7%, down 0.2 pts YoY and below plan

- ✓ Gross profit increased, supported by pricing actions and inventory clearance aligned with shifts in consumer sentiment following Middle East developments, while gross margin declined YoY.
- ✓ PB/OEM sales reached ¥282.1 bn, up 21.5% YoY, driven by expanded new product offerings in cosmetics and character goods, as well as progress in OEM conversion across beauty-related, cookware, and travel-related goods, partially offsetting gross margin pressure.

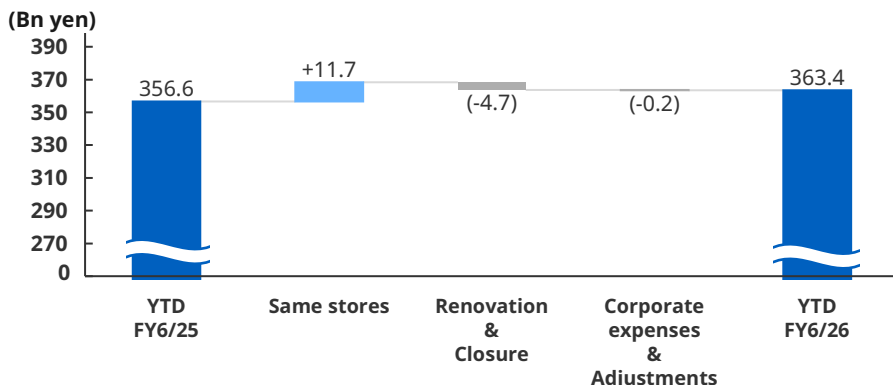
### ■ The SG&A ratio was 20.5%, up 0.2 pts YoY and in line with plan

- ✓ SG&A expenses increased, reflecting human capital investments, including head office costs to execute strategic initiatives, growth investments centered on new store openings, and costs related to the factor-based tax and tax-free operations.
- ✓ Sales growth absorbed higher SG&A expenses, keeping the ratio within plan. Excluding the factor-based tax, the SG&A ratio was 20.2%.

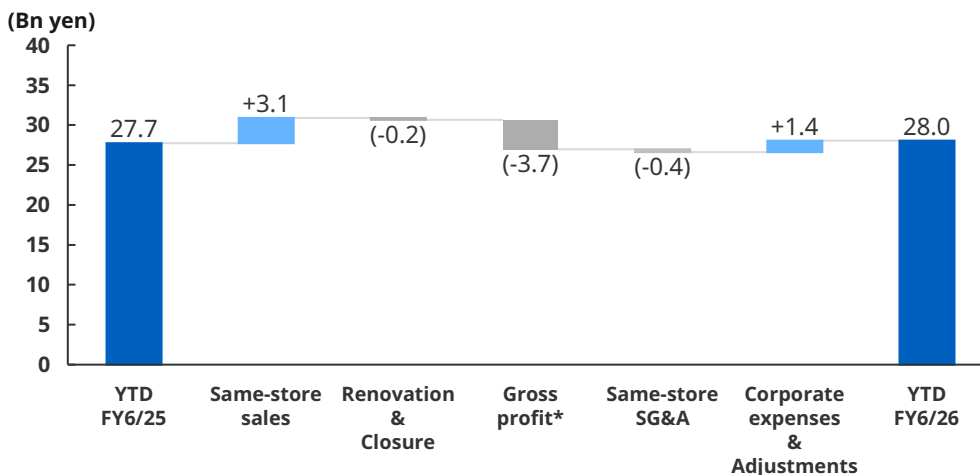
# UNY Business

**Net sales reached ¥363.4 bn, up ¥6.8 bn YoY, supported by prioritized promotions under a reinforced price strategy, driving sales and traffic growth despite margin pressure. Operating income was ¥28.0 bn, up ¥0.3 bn YoY and in line with plan, with operating margin flat YoY, supported by productivity improvements alongside sales growth.**

## FY6/26 YTD Net Sales Details



## FY6/26 YTD Operating Income Details



*Note on "Gross profit": Now reflects the impact of changes in overall gross margin, rather than same-store gross margin.*

### ■ Same-store sales increased 3.6% YoY

- ✓ Sales and customer traffic increased, with traffic up 2.1% YoY, exceeding H1, supported by a stronger focus on prioritized promotions under an enhanced price strategy.
- ✓ Non-food sales increased, driven by reduced apparel space and the adoption of successful initiatives from the DS business, with skincare, character goods, and cookware performing well through in-store events.
- ✓ Developing a replicable model to scale the successful initiatives above across all UNY stores remains a challenge. Ongoing experimentation continues to develop new growth categories.

### ■ Gross margin was 33.1%, down 1.1 pts YoY, reflecting a greater emphasis on pricing strategies

- ✓ Gross margin declined, as pricing initiatives were accelerated to build popularity amid shifts in consumer sentiment driven by developments in the Middle East.
- ✓ Gross margin was further pressured YoY, as rice products, which had temporarily been priced higher last year due to supply shortages, returned to normal price levels.

### ■ The SG&A ratio was 25.4%, down 1.1 pts YoY, reflecting continued productivity improvement

- ✓ SG&A expenses increased, mainly due to growth investments associated with store renovations; however, productivity improved, supported by optimized staffing and enhanced store operations, and sales growth contributed to a lower SG&A ratio.

# North America Business

**Net sales reached ¥208.6 bn, up ¥10.4 bn YoY, driven by new store openings despite the impact of store closures and lapping prior-year one-off factors. SG&A increased due to growth investments from multiple new store openings; however, operating improvements in Hawaii and Guam supported operating income of ¥4.7 bn, up ¥0.02 bn YoY, returning to profit growth on a YTD basis.**

## FY6/26 YTD Net Sales Details



### ■ Same-store sales increased 0.4% YoY, with regional variability

- ✓ Marukai CA and Hawaii performed well, supported by strong new store sales; despite some cannibalization at existing stores, total sales across all stores remained solid.
- ✓ Gelson's faced a YoY decline, reflecting store closures following last year's flagship store fire and the normalization after temporary customer inflows to surrounding stores.
- ✓ Hawaii and Guam performed well, supported by differentiation through imported products from Japan, particularly confectionery and non-food items.

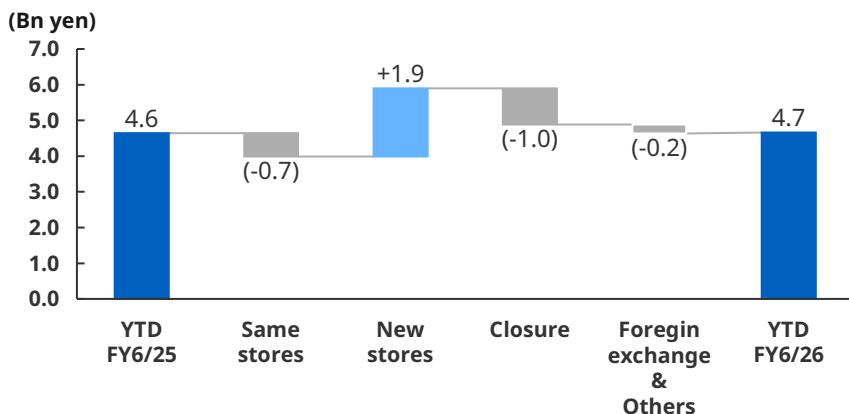
### ■ YTD same-store gross margin was 36.9%, down 0.6 pts YoY, while the Q3 decline narrowed to 0.3 pts, with margin at 36.6%.

- ✓ In food categories, pricing actions continued to drive customer traffic, while pricing was revised to appropriate levels to reflect higher procurement costs.
- ✓ In non-food categories, strong sales of Japanese character goods and cosmetics shifted the sales mix, contributing to gross margin improvement.
- ✓ At Gelson's, waste and shrink remained unstable, highlighting challenges in establishing consistent store operations.

### ■ The same-store SG&A ratio was 30.4%, down 0.2 pts YoY

- ✓ In Hawaii and Guam, productivity improvements continued, despite rising wage levels, supported by optimized staffing and disciplined labor-hour management.
- ✓ SG&A expenses increased, driven by growth investments in new stores; however, expenses remained in line with plan.

## FY6/26 YTD Operating Income Details



\* Figures for North America are the total of DQ USA, MARUKAI, QSI, Gelson's, Guam and Mikuni. YTD: July 2025 to March 2026 for Gelson's; April 2025 to December 2025 for all other entities

\* Gelson's operating income is calculated after deducting amortization of goodwill (YTD FY6/25: ¥2.79 bn, YTD FY6/26: ¥2.84 bn).

\* Mikuni generated ¥9.4 bn in net sales and ¥0.8 bn in operating income, and both are included under new stores.

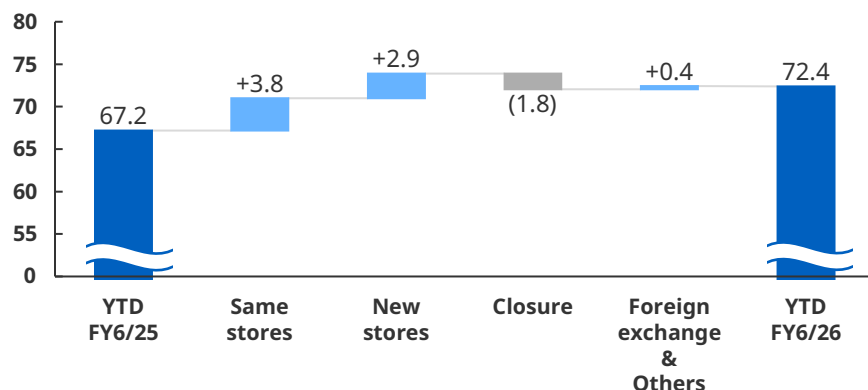


# Asia Business

Asia net sales reached ¥72.4 bn, up ¥5.2 bn YoY, supported by region-wide pricing initiatives that improved both sales and customer traffic. Operating income reached ¥3.8 bn, up ¥2.6 bn YoY, with the operating margin improving to 5.3%, up 3.5 pts YoY, on stabilized operations. Establishing catchment-area-specific store models remains key to further scale expansion.

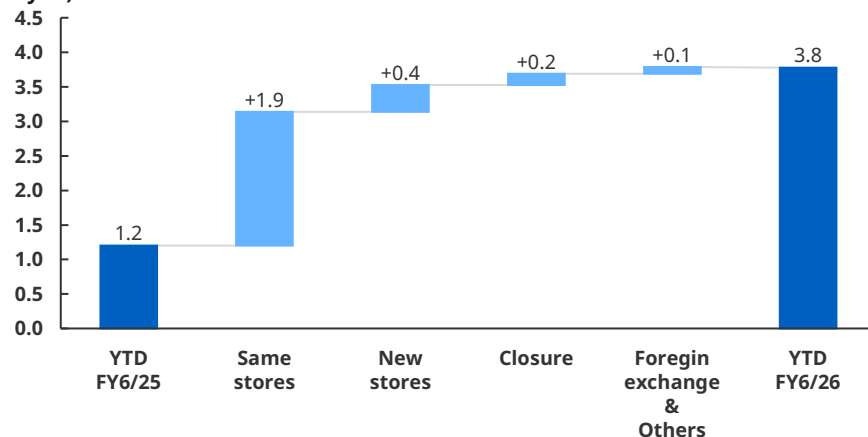
## FY6/26 YTD Net Sales Details

(Bn yen)



## FY6/26 YTD Operating Income Details

(Bn yen)



### ■ Same-store sales increased 6.1% YoY, ahead of plan

- ✓ Sales and customer traffic increased significantly, driven by expanded assortments of confectionery, cosmetics, and character goods leveraging Japan's tax-free sales data for visiting foreign customers.
- ✓ Sales and customer traffic showed an improving trend in Singapore and Malaysia, supported by the strengthened and penetrated pricing strategies proven in Hong Kong and Thailand.

### ■ Gross margin was 36.0%, down 0.8 pts YoY and in line with plan

- ✓ Gross margin declined due to a stronger emphasis on price competitiveness, a key FY6/26 strategy, while strong sales drove sharp gross profit growth.
- ✓ Strengthening controls by increasing product checker staffing, while aiming to lift the gross margin floor through lower waste and shrink.

### ■ The SG&A ratio was 30.7%, down 4.3 pts YoY, reflecting significant productivity improvement

- ✓ Labor productivity improved, driven by multitasking initiatives, optimized staffing, and the in-house handling of security and cleaning, resulting in stabilized operations across Asia.
- ✓ The SG&A ratio declined further, supported by the closure of unprofitable stores, right-sizing of leased space, and cost reductions in consumables.

\*Figures for Asia are the total of PPRM (SG), PPRM (HK), DONKI Thailand, PPRM (TW), PPRM (MY), and Macau PPRM (MO). YTD: April 2025 to December 2025

# Major Assets, Liabilities and Net Assets

## Assets

(Bn yen)

	As of June 30, 2025	As of March 31, 2026	
	Amount	Amount	Change
<b>Current assets</b>	<b>528.0</b>	<b>564.3</b>	<b>36.3</b>
Cash and Deposits	172.0	179.3	7.4
Account receivable-installment	57.7	59.8	2.0
Merchandise and finished goods	224.9	242.8	17.9
<b>None-current assets</b>	<b>983.5</b>	<b>994.2</b>	<b>10.7</b>
Buildings and structures, net	295.7	296.5	0.7
Land	354.2	364.5	10.3
Intangible assets	104.0	111.5	7.5
Leasehold and guarantee deposits	68.2	67.2	(1.1)
<b>Total assets</b>	<b>1,511.4</b>	<b>1,558.5</b>	<b>47.0</b>

## Liabilities

(Bn yen)

	As of June 30, 2025	As of March 31, 2026	
	Amount	Amount	Change
<b>Current Liabilities</b>	<b>441.9</b>	<b>446.8</b>	<b>4.9</b>
Notes and accounts payable	194.9	207.8	12.9
Short-term interest-bearing debt <sup>1</sup>	77.0	82.6	5.6
<b>None-current liabilities</b>	<b>445.5</b>	<b>396.5</b>	<b>(49.0)</b>
Bonds payable	170.4	136.0	(34.4)
Long-term borrowings	156.9	139.7	(17.2)
<b>Total liabilities</b>	<b>887.4</b>	<b>843.3</b>	<b>(44.1)</b>
<b>Total net assets</b>	<b>624.0</b>	<b>715.2</b>	<b>91.1</b>
<b>Total liabilities and net assets</b>	<b>1,511.4</b>	<b>1,558.5</b>	<b>47.0</b>

1. Short-term interest-bearing debt=Short-term borrowings, long-term borrowings and bonds payables due within 1 year

## ■ Current assets

- ✓ Property, plant and equipment: ¥736.4 bn (up ¥18.3 bn from FYE6/25)
  - Investment related to store opening: ¥33.8 bn
  - Depreciation: ¥29.7 bn

## ■ Liabilities

- ✓ Interest-bearing: ¥358.3 bn (down ¥46.0 bn from FYE6/25)

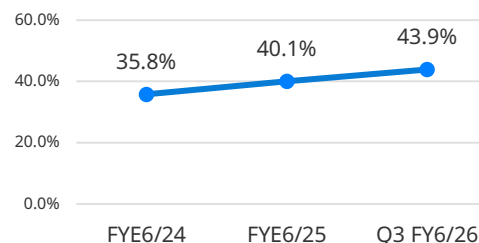
## ■ Net assets

- ✓ Equity: ¥684.2 bn (up ¥78.4 bn from FYE6/25)
- ✓ Equity-to-asset ratio: 43.9% (up 3.8 pts from FYE6/25)

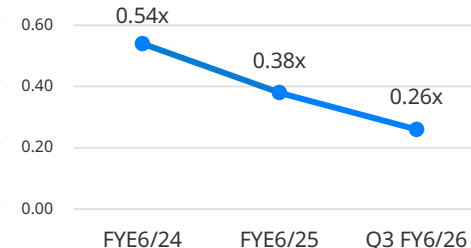
## ■ Others

- ✓ Net D/E ratio: 0.26x (down 0.12 pts from FYE6/25)
- ✓ ROE: 19.4% on an annualized basis (up 3.6 pts from FYE6/25)

### ▷ Equity-to-Asset Ratio



### ▷ Net D/E Ratio



Interest-bearing debt declined, reflecting repayments of Long-term borrowings and Bonds payable. Equity-to-asset ratio and net D/E ratio further improved, strengthening our financial position.

# Cash Flows and Capital Expenditures

## Cash Flows

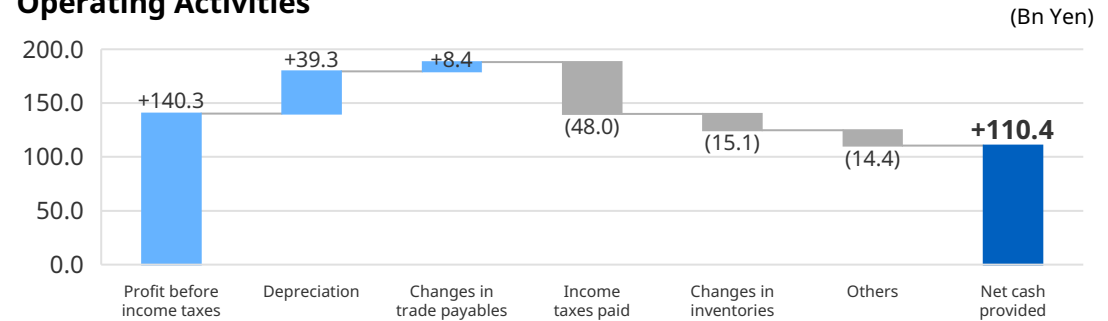
	(Bn yen)		
	Q3 FY6/25	Q3 FY6/26	
	Amount	Amount	Change
Balance at the beginning of the period	187.2	175.8	(11.4)
Cash flows from operating activities	87.5	110.4	22.9
Cash flows from investing activities	(36.9)	(46.8)	(9.8)
Cash flows from financing activities	(43.6)	(80.2)	(36.5)
Change during the period	4.7	7.8	3.1
Balance at the end of the period	191.9	183.6	(8.3)
Free cash flow <sup>1</sup>	50.6	63.7	13.1

1. Cash flows from operating activities + Cash flows from investing activities

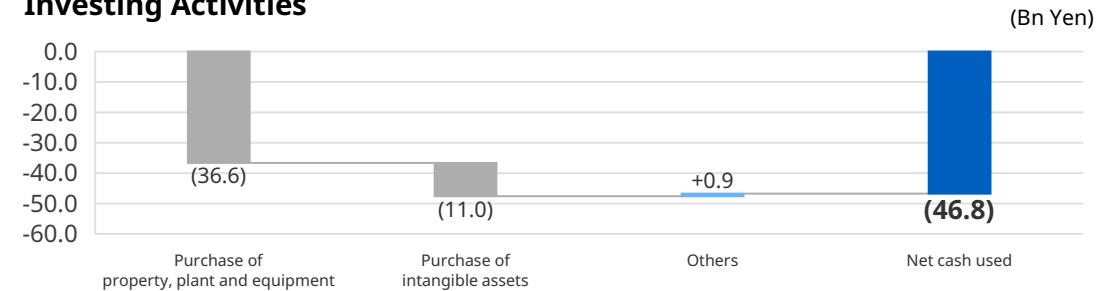
## Capital Expenditures

Capital Expenditures	40.3	48.6	8.3
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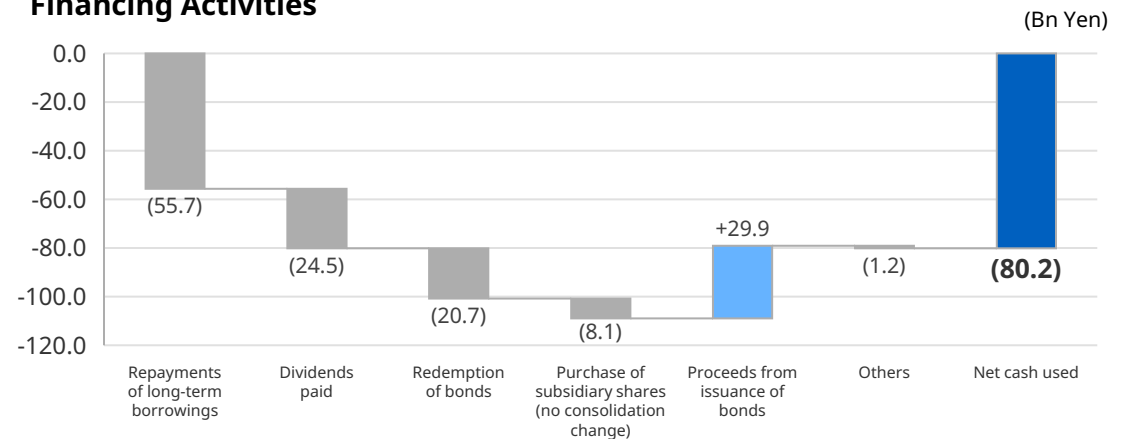
## Operating Activities



## Investing Activities



## Financing Activities



## Q3 Capital Expenditure Breakdown

Domestic Discount Store Business ¥23.8 bn, UNY Business ¥6.2 bn, Overseas Business ¥4.0 bn, IT investments ¥8.1 bn, Others ¥6.5 bn

# April Flash Notes: Domestic Discount Store and UNY Business

**Domestic retail sales and customer traffic increased YoY in both businesses, with solid sales driven by flexible responses to shifting consumer demand amid Middle East geopolitical uncertainty.**

## YoY Same-store Sales

	Q1	Q2	Q3				Q4
Unit : %		YTD	Jan	Feb	Mar	YTD	Apr
<b>Domestic Total</b>	103.5	105.3	107.4	104.0	104.2	105.3	105.2
<b>DS</b>	103.6	105.7	107.6	104.6	104.7	105.7	106.1
<b>UNY</b>	103.2	103.8	106.9	102.2	102.5	103.9	102.3

## ■ Discount Store business

- ✓ Sales were supported by bulk purchases centered on kitchen goods, detergents, and oral care products, as customers responded to concerns over rising prices and potential product shortages.
- ✓ Seasonal skincare products and sun umbrellas performed well, while serums and creams remained strong by capturing demand for post-outing care. Sales also increased for trendy toy cameras and game consoles, as well as household appliances, supported by demand from customers preparing for new living arrangements.

## ■ UNY business

- ✓ In the UNY business, sales were affected by a YoY decline in rice sales. However, the pricing strategy proved effective, supporting solid performance in frozen foods, ice cream, and snacks.
- ✓ Character-related products with expanded assortments and outing-related items such as cosmetics, sneakers, and hats also performed well, while apparel sales struggled due to the delayed rollout of spring merchandise.

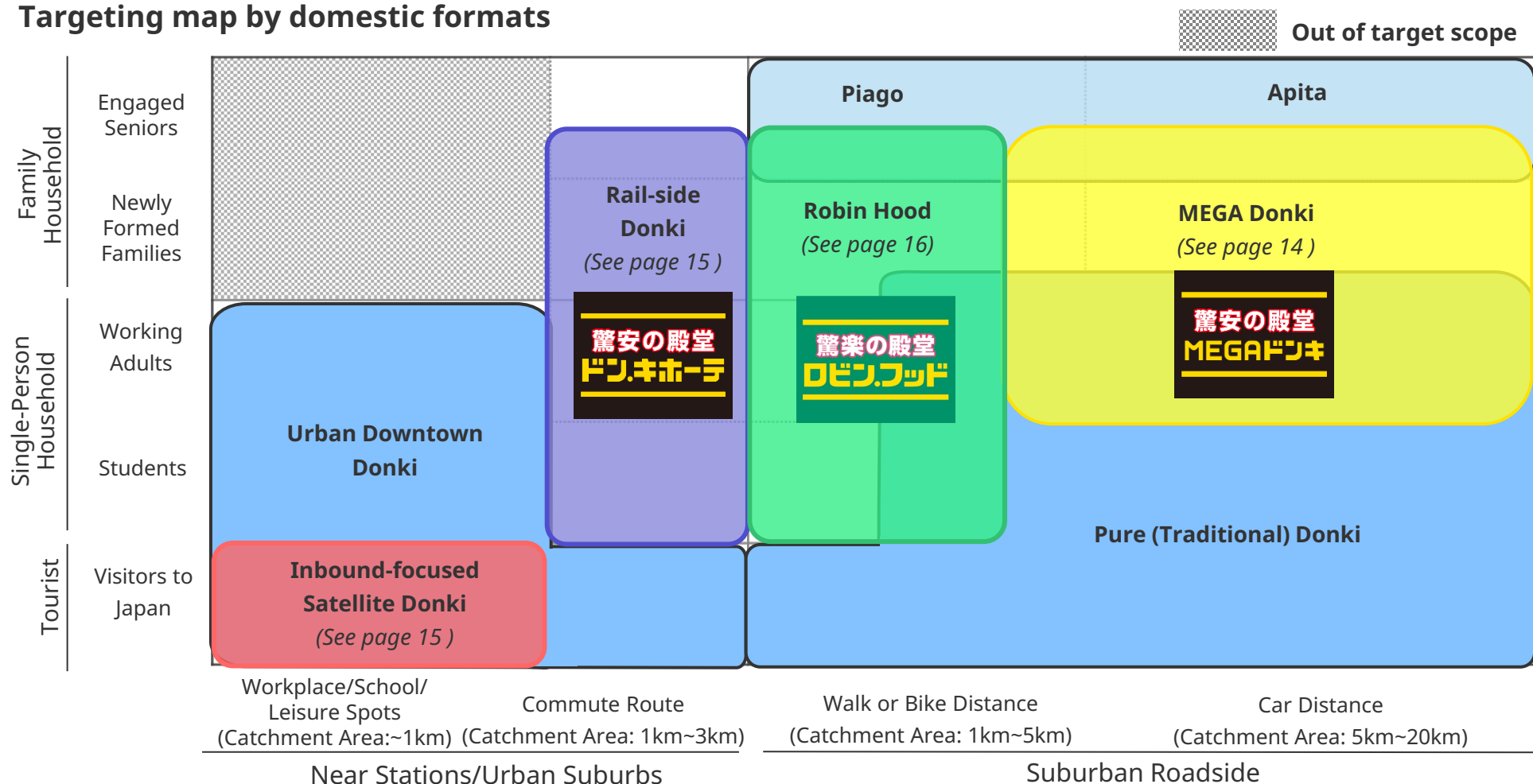
**Outlook commentary:** April progress increased confidence in meeting the full-year guidance, but we are maintaining it at this time given the uncertain outlook in the Middle East. We will respond flexibly to rapid changes in customer behavior and continue to closely monitor trends in (1) procurement costs, (2) product supply, (3) utilities, (4) logistics and transportation, and (5) airline capacity.

# **TAM Capture: Current Position and Transition to the Expansion Phase**

# Current Position and Transition to the Expansion Phase

The further-evolved “MEGA Donki,” “Rail-side Donki,” and “Inbound-focused Satellite Donki” have demonstrated the reproducibility of strong returns and are entering an accelerated rollout phase. Other initiatives are also moving into expansion, including the first “Robin Hood” store and the group-wide rollout of the evolved deli strategy.

## Targeting map by domestic formats



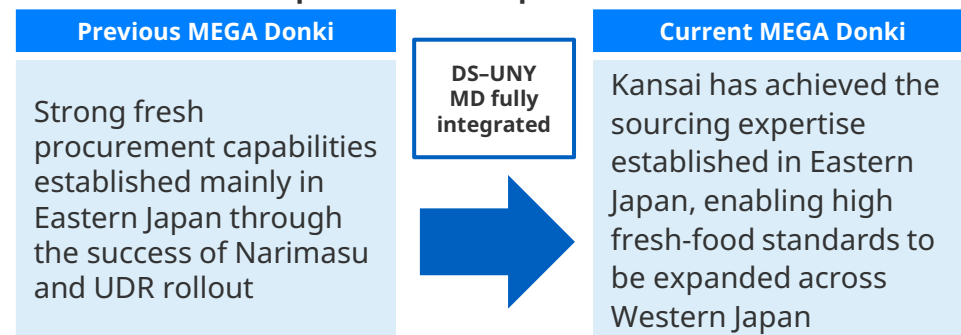
# TAM Capture Strategy 1: Further-evolved “MEGA Donki”

**MEGA Donki Narimasu in Tokyo has proven highly effective in driving traffic across food and non-food categories, becoming one of the top-performing stores in the Tokyo area. MEGA Donki Katano in Osaka has demonstrated equal or stronger reproducibility, with a scalable foundation now in place for expansion through new stores and format conversions.**

- The Katano store has validated the reproducibility of a MEGA Donki model built from the ground up, rather than through a format conversion, establishing a scalable foundation for new store expansion into Kansai and further west, where significant rollout potential remains.

- ✓ Leveraging Katano’s large, multi-story format by relocating fresh foods to the second floor, as at Narimasu, to drive upper-floor traffic. Demonstrating reproducibility through a dual-engine model combining fresh foods as a traffic driver with customer-relevant non-food merchandise to support profitability.
- ✓ Realizing benefits from integrating DS and UNY merchandising, with stronger fresh procurement through flexible purchasing and producer-direct sourcing expertise. Enhancing customer draw through better fresh pricing and quality, increasing confidence in further Western Japan expansion.
- ✓ Expanding customer reach through new non-food merchandising, including kids’ and professional apparel, and a broader cosmetics assortment.
- ✓ Positioning Katano as a flagship for in-store deli offerings, rolling out signature items across MEGA Donki to create new reasons to visit (See page 17 for details.)

## Penetration of fresh procurement capabilities



## Fresh products balancing price and quality via procurement strength



## New MD tailored to a broad target base





# TAM Capture Strategy 2: Accelerating Store Openings Nationwide

**Rail-side Donki models and the first inbound-focused Satellite Donki in Kansai have demonstrated reproducibility as high-return formats. This provides a foundation to deploy these two models alongside other existing formats while advancing “Robin Hood” in parallel.**

## ■ Rail-side Donki: Established high-return model under PPIH-style operations

- ✓ Rail-side Donki combines trend-driven assortments typical of downtown locations with daily-use demand tied to commuting and schooling, achieving high profitability through a cost-efficient operating structure centered on part-time staffing.
- ✓ Cannibalization with Road-side Donki has proven limited, reflecting differences in catchment areas and customer purchasing behavior. This supports accelerated Rail-side Donki openings at station-front locations that meet passenger traffic thresholds.

## ■ Inbound-focused Satellite Donki: Located near tax-free flagships, delivering consistently high profitability through highly efficient operations

- ✓ Opened Kyoto Shijo-dori, the first location in Kansai, after Shinjuku in Tokyo and Okinawa. Area-based operations, rather than store-by-store management, cover staffing, logistics, and inventory management, driving high profitability.
- ✓ Confirmed significant rollout potential near tax-free flagships. We will accelerate openings through stronger store development and an area-dominant strategy to maximize sales in each area.

**From FY6/27 onward: Maintain about 25 new stores annually in existing formats**

**Over the medium term: Target about 50 store actions annually, including new stores and format conversions**

- ✓ Plan ~25 new stores and 5 format conversions in FY6/26
- ✓ Plan to scale to up to 40 total actions in FY6/27, including new stores and conversions
- ✓ Established PPIH-style productivity and talent readiness support accelerated new store openings

### Domestic store count expansion plan





# TAM Capture Strategy 3: Robin Hood—Launching a New Format for Small Catchment Areas

**Initial launch off to a solid start, with an integrated product, customer, and operating model designed to enhance store value and attract new customer segments**

■ **Products: Price-led assortments and quick, easy solutions are driving new customer acquisition, while the non-food mix is tracking in line with plan**

- ✓ Non-food: Expanding new customer segments through assortments such as daily consumables, beauty and wellness, character goods, and time-saving cooking tools, while refining the optimal MD mix through continuous test-and-learn.
- ✓ Food: Offering fresh items that deliver quick and easy solutions, including pre-cut vegetables, marinated meats, and boneless fish that reduce cooking effort and time and are performing well.
- ✓ PB: Driving differentiation through a new PB built on the concept of “Low price, Great value, Fast, and Easy,” with early results indicating positive customer response.
- ✓ Deli: Driving reasons to visit and repeat frequency through rebranded deli offerings developed in collaboration with Kanemi (*See page 17 for details.*)

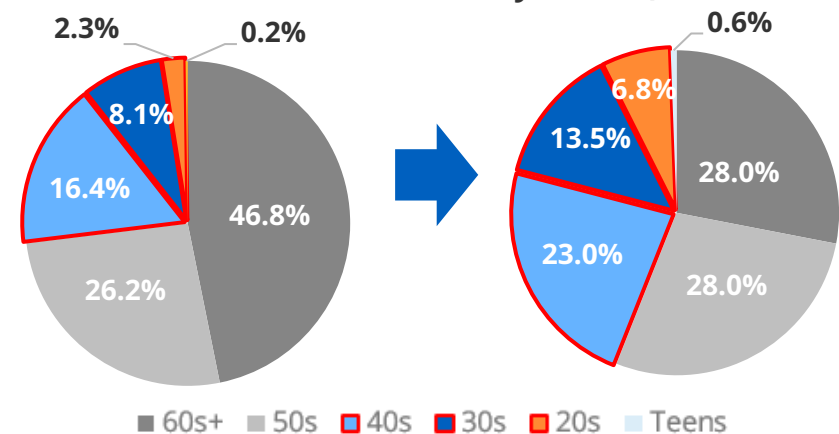
■ **Customer: Broadening visit motivations through evolved assortments, driving acquisition of new customer segments**

- ✓ Early results show appeal across a wide age range, driving increased visits from new customer segments, including new family households, working professionals, and students.
- ✓ Customer mix shifted significantly and in line with expectations.

**Assortment evolution driving customer expansion**



**Age-based mix shift (pre- vs. post-conversion to Robin Hood, as of May 4, 2026)**



# TAM Capture Strategy 4: Elevating Deli as a Visit Driver

**Advancing toward the ¥200 bn deli sales target in the long-term plan through a dual-track approach: Robin Hood-centered deli rebranding with Kanemi participation and in-store deli development anchored at MEGA Donki Katano**

## Robin Hood deli rebranding

- **Strengthening collaboration with Kanemi to develop scalable, affordable, fun, and great-tasting deli offerings**
  - ✓ Advancing buzz-worthy products, such as Mille-feuille cream puffs, hand-held “Umyaa” sticks, and the Udon Station, using originality and news value to create reasons to visit.
  - ✓ Seeing strong sales for rice balls priced from ¥78, with positive traction supporting broader regional rollouts.
  - ✓ Driving repeat visits through regular refreshes and rotations, keeping the lineup fresh and positioning deli as a core traffic driver.

## MEGA Donki Katano in-store deli flagship

- **Positioning Katano as a strategic in-store deli flagship**
  - ✓ Expanding the deli lineup with signature items, using Katano as a development base for nationwide MEGA Donki rollout.
  - ✓ Seeing strong traction for “¥250 Value Rice Bowls,” now distributed to around 75 stores.
- **Building branded deli offerings across existing formats**
  - ✓ Deploying original branded deli items, such as internal contest-winning products and large-portion bento for younger customers, with strong visual appeal and great taste.

## Buzz-worthy products co-developed with Kanemi



**“¥250 Value Rice Bowls”  
gain popularity among  
students and working  
professionals**



**Branded deli development**



Note: All prices shown are excluding tax

# Appendix

# Financial Highlights for Q3

【Q3: January 1, 2026 to March 31, 2026】

(Bn yen)

	Q3 FY6/25		Q3 FY6/26			
	Amount	% of net sales	Amount	% of net sales	Change	YoY(%)
Net sales	559.6	100.0%	616.4	100.0%	56.8	+10.2%
Gross profit	174.8	31.2%	189.5	30.7%	14.7	+8.4%
SG&A	135.9	24.3%	146.0	23.7%	10.1	+7.4%
Operating income	38.9	7.0%	43.5	7.1%	4.6	+11.8%
Ordinary profit	38.8	6.9%	43.9	7.1%	5.1	+13.2%
Profit attributable to owners of parent	21.9	3.9%	30.2	4.9%	8.3	+38.1%

# Business Segment Results for Q3 and YTD

**[Q3: January 1, 2026 to March 31, 2026]**

(Bn yen)

	DS			UNY			Asia <sup>2</sup>			North America <sup>1,3</sup>			Others/Adjustments		
	Q3 FY6/25	Q3 FY6/26	Change	Q3 FY6/25	Q3 FY6/26	Change	Q3 FY6/25	Q3 FY6/26	Change	Q3 FY6/25	Q3 FY6/26	Change	Q3 FY6/25	Q3 FY6/26	Change
Net sales	355.6	383.1	27.6	116.6	118.9	2.3	23.6	26.0	2.4	67.5	73.4	5.9	(3.8)	14.9	18.6
Gross profit	97.2	104.1	7.0	39.2	38.6	(0.6)	8.5	9.3	0.8	24.8	28.2	3.4	5.1	9.3	4.2
GP margin	27.3%	27.2%	(0.1)pts	33.6%	32.4%	(1.2)pts	36.1%	35.9%	(0.2)pts	36.7%	38.4%	1.7pts	-	-	-
SG&A	73.3	78.7	5.4	30.0	29.5	(0.5)	7.8	7.5	(0.3)	23.2	26.2	3.0	1.5	4.0	2.6
OP income	23.8	25.4	1.6	9.1	9.1	(0.1)	0.7	1.8	1.1	1.6	2.0	0.3	3.6	5.2	1.6
OP margin	6.7%	6.6%	(0.1)pts	7.8%	7.6%	(0.2)pts	3.0%	7.0%	4.0pts	2.4%	2.7%	0.3pts	-	-	-
EBITDA <sup>4</sup>	27.2	29.2	2.1	11.3	11.4	0.1	1.4	2.4	1.0	4.0	4.4	0.4	6.7	9.7	3.0
EBITDA margin	7.6%	7.6%	0.0pt	9.7%	9.6%	(0.1)pts	5.8%	9.1%	3.3pts	6.0%	6.0%	0.0pt	-	-	-

**[YTD: July 1, 2025 to March 31, 2026]**

(Bn yen)

	DS			UNY			Asia <sup>2</sup>			North America <sup>1,3</sup>			Others/Adjustments <sup>5</sup>		
	YTD FY6/25	YTD FY6/26	Change	YTD FY6/25	YTD FY6/26	Change	YTD FY6/25	YTD FY6/26	Change	YTD FY6/25	YTD FY6/26	Change	YTD FY6/25	YTD FY6/26	Change
Net sales	1,080.5	1,159.5	79.0	356.6	363.4	6.8	67.2	72.4	5.2	198.2	208.6	10.4	(14.3)	22.6	36.9
Gross profit	301.1	321.0	20.0	122.0	120.2	(1.8)	24.7	26.1	1.4	74.4	80.8	6.4	16.5	24.6	8.1
GP margin	27.9%	27.7%	(0.2)pts	34.2%	33.1%	(1.1)pts	36.8%	36.0%	(0.8)pts	37.5%	38.7%	1.2pts	-	-	-
SG&A	218.8	237.5	18.7	94.3	92.2	(2.1)	23.5	22.3	(1.3)	69.8	76.1	6.4	3.7	7.1	3.4
OP income	82.3	83.5	1.2	27.7	28.0	0.3	1.2	3.8	2.6	4.6	4.7	0.0	12.8	17.5	4.7
OP margin	7.6%	7.2%	(0.4)pts	7.8%	7.7%	(0.1)pts	1.8%	5.3%	3.5pts	2.3%	2.2%	(0.1)pts	-	-	-
EBITDA <sup>4</sup>	91.9	94.5	2.6	34.6	34.9	0.3	3.2	5.4	2.2	11.8	12.0	0.1	22.9	29.6	6.8
EBITDA margin	8.5%	8.2%	(0.4)pts	9.7%	9.6%	(0.1)pts	4.8%	7.5%	2.7pts	6.0%	5.7%	(0.2)pts	-	-	-

1. Figures for North America are the total of DQ USA, MARUKAI, QSI, Gelson's, Guam and Mikuni. YTD: July 2025 to March 2026 for Gelson's; April 2025 to December 2025 for all other entities

2. Figures for Asia are the total of PPRM (SG), PPRM (HK), DONKI Thailand, PPRM (TW), PPRM (MY), and Macau PPRM (MO). YTD: April 2025 to December 2025

3. Gelson's operating income is calculated after deducting amortization of goodwill (YTD: FY6/25 ¥2.79 bn; FY6/26 ¥2.84 bn)

4. EBITDA = Operating income + Depreciation of property, plant and equipment + Amortization of intangible assets + Stock-based compensation

5. Operating income changed due to factors in others/adjustments : ¥2.6 bn from financial business, ¥1.4 bn from Kanemi

# SG&A Breakdown for Q3 and YTD

**【Q3: January 1, 2026 to March 31, 2026】**

(Bn yen)

	Q3 FY6/25		Q3 FY6/26		
	Amount	Ratio	Amount	Ratio	YoY
<b>SG&amp;A</b>	135.9	24.3%	146.0	23.7%	+7.4%
Personnel expense <sup>1</sup>	62.7	11.2%	67.6	11.0%	+7.7%
Rent	16.0	2.9%	16.9	2.7%	+6.0%
Commission paid	18.1	3.2%	19.3	3.1%	+6.6%
Depreciation and amortization	9.8	1.8%	11.0	1.8%	+12.6%
Utilities	7.9	1.4%	7.5	1.2%	(4.7)%
Other	21.3	3.8%	23.5	3.8%	+10.4%

**【YTD: July 1, 2025 to March 31, 2026】**

(Bn yen)

	YTD FY6/25		YTD FY6/26		
	Amount	Ratio	Amount	Ratio	YoY
<b>SG&amp;A</b>	410.0	24.3%	435.2	23.8%	+6.1%
Personnel expense <sup>1</sup>	188.4	11.2%	200.0	10.9%	+6.2%
Rent	47.4	2.8%	49.6	2.7%	+4.6%
Commission paid	52.1	3.1%	57.4	3.1%	+10.2%
Depreciation and amortization	29.3	1.7%	32.0	1.8%	+9.4%
Utilities	26.7	1.6%	26.0	1.4%	(2.5)%
Other	66.2	3.9%	70.2	3.8%	+6.0%

1. Personnel expenses = Salaries and allowances + Bonuses + Legal welfare expenses + Retirement payment + Recruitment expenses



# Consolidated Business Segment Overview for YTD

【YTD: July 1, 2025 to March 31, 2026】

(Bn yen)

	YTD FY6/25		YTD FY6/26		
	Amount	Ratio	Amount	Ratio	YoY
<b>Domestic DS</b>	1,044.4	61.9%	1,124.4	61.6%	<b>+7.7%</b>
Home electrical appliances	71.0	4.2%	71.1	3.9%	+0.1%
Miscellaneous household goods	292.0	17.3%	316.6	17.3%	+8.4%
Foods	459.5	27.2%	490.9	26.9%	+6.8%
Watches and fashion merchandise	135.7	8.0%	150.3	8.2%	+10.8%
Sporting goods and leisure goods	69.9	4.1%	79.0	4.3%	+13.1%
Others	16.4	1.0%	16.6	0.9%	0.9%
<b>Domestic UNY</b>	323.5	19.2%	340.2	18.6%	<b>+5.2%</b>
Home electrical appliances	4.7	0.3%	5.9	0.3%	+23.6%
Miscellaneous household goods	33.9	2.0%	34.1	1.9%	+0.5%
Foods	238.7	14.1%	254.5	13.9%	+6.6%
Watches and fashion merchandise	38.5	2.3%	38.2	2.1%	(0.7)%
Sporting goods and leisure goods	6.9	0.4%	7.4	0.4%	+6.6%
Others	0.7	0.0%	0.1	0.0%	(86.6)%
<b>Overseas</b>	263.1	15.6%	278.0	15.2%	<b>+5.6%</b>
North America <sup>1</sup>	196.3	11.6%	205.9	11.3%	+4.9%
Asia <sup>2</sup>	66.8	4.0%	72.1	3.9%	+7.8%
<b>Others<sup>3</sup></b>	57.1	3.4%	84.0	4.6%	<b>+47.0%</b>
External sales	-	-	24.6	1.3%	-
Others	57.1	3.4%	59.4	3.3%	+3.9%
<b>Total</b>	1,688.2	100.0%	1,826.5	100.0%	<b>+8.2%</b>

1. YTD: July 2025 to March 2026 for Gelson's; April 2025 to December 2025 for all other entities

2. YTD: April 2025 to December 2025

3. Includes tenant leasing business, credit card business, Kanemi, and other related businesses.

# FY6/26 New Store

Business	Format	Q1			Q2			Q3			Q4			Full-Year Forecast
		Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	
Discount Store	DQ				Hatchōbori Nishi (Hiroshima)			Chiba Fujimi (Chiba)	Shijo-dori (Kyoto)	Yashima (Kagawa)	MEGA DQ Katano (Osaka)	Kohoku Northport (Kanagawa)	9 Stores	New Store: 25 Format conversions: 5
					Takayama (Gifu)						Togoshi Ginza (Tokyo)	Ichikawa Eki Kitaguchi (Chiba)		
					Apita Matsusaka Mikumo (Mie)									
					Oizumi (Tokyo)									
Discount Store	Small Format				Kirakira Donki Sendai Nagamachi (Miyagi)	Kirakira Donki Ebina (Kanagawa)	Re:Price Kumagaya NITTOH MALL (Saitama)					Kirakira Donki Mi-ts Kokubunji (Tokyo)		New Store: 25 Format conversions: 5
												Omiyage Donki 730 COURT (Okinawa)		
Discount Store	Robin Hood										Robin Hood Jimokuji (Aichi)	Robin Hood Toyokawa (Aichi)	Robin Hood Kanuki (Shizuoka)	New Store: 25 Format conversions: 5
												Robin Hood Kasamatsu (Gifu)	Robin Hood Kubota (Mie)	
Overseas*1	Asia			Central Westgate (Thailand)										New Store: 4*2
	North America	Irvine (California)						Emeryville (California)						
								Toluca Lake (California)						

1. Overseas stores are shown under their opening months

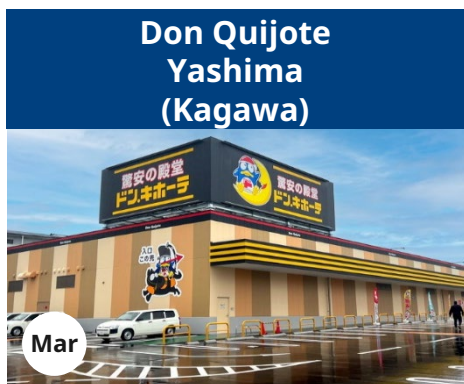
2. YTD: July 2025 to March 2026 for Gelson's; April 2025 to December 2025 for all other entities



# Store Count by Region and Format

## Domestic Retail Store

	FY6/24	FY6/25	FY6/26		
			Q1	Q2	Q3
<b>Discount Store business</b>	<b>501</b>	<b>525</b>	<b>525</b>	<b>532</b>	<b>534</b>
Don Quijote	262	285	285	289	291
MEGA Don Quijote <sup>1</sup>	143	143	143	143	143
(MEGA) Don Quijote UNY	62	62	62	62	62
Small Format <sup>2</sup>	34	35	35	38	38
<b>UNY business<sup>3</sup></b>	<b>131</b>	<b>130</b>	<b>130</b>	<b>129</b>	<b>129</b>
<b>Domestic total</b>	<b>632</b>	<b>655</b>	<b>655</b>	<b>661</b>	<b>663</b>



## Overseas Store

	FY6/24	FY6/25	FY6/26		
			Q1	Q2	Q3
<b>North America<sup>5</sup></b>	<b>65</b>	<b>76</b>	<b>77</b>	<b>78</b>	<b>78</b>
California	37	46	47	48	48
Hawaii	28	29	29	29	29
Guam	–	1	1	1	1
<b>Asia</b>	<b>45</b>	<b>48</b>	<b>45</b>	<b>45</b>	<b>45</b>
Singapore	16	17	17	17	17
Hong Kong	10	11	10	10	10
Thailand	8	8	7	8	8
Taiwan	5	6	6	6	6
Malaysia	4	4	3	2	2
Macau	2	2	2	2	2
<b>Overseas total<sup>4</sup></b>	<b>110</b>	<b>124</b>	<b>122</b>	<b>123</b>	<b>123</b>
<b>Group total</b>	<b>742</b>	<b>779</b>	<b>777</b>	<b>784</b>	<b>786</b>

1. Includes NEW MEGA format

2. Includes Picasso, Essence, Kyoyasudo, Domise, Ekidonki, Soradonki, Jonetz Shokunin, Kirakira Donki and Nagasakiya

3. Includes Apita, Piago, U-STORE, PiagoPower, and Power Super Piago etc.

4. Overseas subsidiaries, except Gelson's which closes its fiscal year in June, close their fiscal year in March. Store counts for each quarter adjust to match each subsidiary's fiscal period.

5. Includes Mikuni Restaurant

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## **Key Dates**

### **Q4 Earnings – FY6/26**

August 18, 2026 (scheduled) | Venue TBI

### **Robin Hood Store Tour**

June 9, 2026 | Registration has closed

### **ESG Briefing**

July 1, 2026 | More details to be announced soon

## **Cautionary Statement Regarding Forward-Looking Statements**

The purpose of this document is solely to provide information to investors, and does not constitute a solicitation to buy or sell securities. The forward-looking statements set out in this document are based on targets and forecasts, and do not provide any commitments or guarantees. While forward-looking statements are prepared based on various data that we consider to be reliable, we do not provide any guarantees on their accuracy or safety. This document is presented based on the premise that it will be used at the discretion and responsibility of the investor, regardless of purpose of use, and Pan Pacific International Holdings Corporation bears no responsibility in any circumstances.

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