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Consolidated Financial Results for the six months ended December 31, 2025 (Under Japanese GAAP)

(February 16, 2026)

Company name : Joyfull Co., Ltd. Listing : Fukuoka Stock Exchange
Securities code : 9942 URL <http://www.joyfull.co.jp>
Representative : (Title) Representative Director and President (Name) Kurumi Anami
Inquiries : (Title) Director, Head of Administration Division (Name) Yutaka Nojima Telephone 097-551-7131
Scheduled date to file semi-annual securities report : February 16, 2026
Scheduled date to commence dividend payments : May 11, 2026
Preparation of supplementary material on financial results : None
Earnings announcement for financial results : None

Note : Amounts have been rounded to the nearest whole number.

Note : Amounts have been translated into U.S. dollars at the exchange rate of JPY 150 = USD 1.
(Unit: Thousands of USD)

1. Consolidated financial results for the six months ended December 31, 2025 (from July 1, 2025 to December 31, 2025)

(1) Consolidated operating results (cumulative)

(Percentages indicate changes compared with the corresponding period of the previous fiscal year.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Thousands of USD	%	Thousands of USD	%	Thousands of USD	%	Thousands of USD	%
Six months ended December 31, 2025	247,473	4.4	19,527	15.8	19,780	16.7	12,493	(9.6)
Six months ended December 31, 2024	237,047	4.8	16,867	14.1	16,947	15.0	13,833	(0.3)

Note : Comprehensive income Six months ended December 31, 2025 13,427 Thousands of USD (3.0%)
Six months ended December 31, 2024 13,847 Thousands of USD (0.0%)

	Basic earnings per share	Diluted earnings per share
	USD	USD
Six months ended December 31, 2025	0.40	—
Six months ended December 31, 2024	0.45	—

(2) Consolidated financial position

	Total assets	Net assets	Equity-to-asset ratio
	Thousands of USD	Thousands of USD	%
Six months ended December 31, 2025	225,967	95,087	41.8
Fiscal year ended June 2025	210,787	82,687	38.9

Reference : Equity Six months ended December 31, 2025 94,340 Thousands of USD
Fiscal year ended June 2025 82,080 Thousands of USD

2. Cash dividends

	Annual dividends per share				
	First quarter-end	Second quarter-end	Third quarter-end	Fiscal year-end	Total
	USD	USD	USD	USD	USD
Fiscal year ended June 2025	—	0.03	—	0.03	0.07
Fiscal year ended June 2026	—	0.03			
Fiscal year ended June 2026 (Forecast)			—	0.03	0.07

Note : Revision to the forecast of cash dividends most recently announced : None

3. Consolidated financial results forecast for fiscal year ended June 2026 (from July 1, 2025 to June 30, 2026)

(Percentages indicates change from previous year)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Net profit per Share
	Thousands of USD	%	Thousands of USD	%	Thousands of USD	%	Thousands of USD	%	USD
Full year	482,200	4.0	32,533	52.4	32,600	52.0	21,000	37.0	0.68

Note : Revisions to consolidated financial forecasts published recently : None

* Notes

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

Newly included: — companies (Company name) , Excluded — companies (company name)

(2) Adoption of accounting treatment specific to the preparation of semi-annual 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)

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

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

Six months ended December 31, 2025	31,931,900 shares	Fiscal year ended June 2025	31,931,900 shares
Six months ended December 31, 2025	1,010,509 shares	Fiscal year ended June 2025	1,010,509 shares
Six months ended December 31, 2025	30,921,391 shares	Six months ended December 31, 2024	30,901,112 shares

*Semi-annual financial results reports are exempt from review conducted by certified public accountants or an audit firm.

*Proper use of earnings forecasts, and other special matters

Forward-looking statements, including earnings forecasts, are based on information available to the Company as of the date of announcement and certain assumptions deemed reasonable. Actual results may differ significantly due to various factors.

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1. Overview of Business Results, etc. for the six months ended December 31, 2025

(1) Analysis of Business Results

During the six months ended December 31, 2025 of the current consolidated fiscal year, Japan's economy showed signs of recovery in personal consumption and maintained a gradual recovery trend. However, the outlook remains uncertain due to factors such as soaring energy and raw material prices, the prolonged weakening of the yen, concerns over unstable international conditions, and the impact of U.S. policy trends, including trade policies.

In the restaurant industry, while personal consumption and inbound spending are trending upward, the business environment remains challenging due to the recent surge in rice prices, rising energy costs, labor expenses, and raw material costs.

Under these circumstances, in order to realize our medium- to long-term growth strategy for the future, we have been working to improve the performance of the entire Joyfull group, including our subsidiaries, by strengthening not only our existing eat in business but also by increasing our takeout and delivery sales, sales through mass retailers and mail order sites, and the number of independent franchise stores run by former employees.

Regarding product related measures, we continued to fine-tune our existing lineup to improve the quality of products we offer while at the same time, we carefully analyzed customer consumption trends through repeated test marketing. Based on this, we revised our grand menu once, and held the autumn fair "Irodori Akiaji" and the winter fair "Pokapoka Fuyu-no-oshi-meshi."

The revised grand menu features "Tatsuta-style Fried Chicken Loaded with Vegetables and Kettle-Fried Whitebait Rice Bowl" with crisp, juicy chicken and fresh veggies which pair perfectly, and using our authentic Soba Noodles, "Soba Noodles with Beef and Grilled Green Onion Mizore Sauce" which has been popular since its spring debut. For those who enjoy meat we have the irresistible "Triple Meat Combo for Meat Lovers!" and the "Double-Sized Joyfull Salt Flavored Fried Chicken Set Meal." We also have an expanded selection of "Hot Pot Dishes" perfect for the coming season, the "Local Seafood Rice Bowl" in the rice bowl menu, the comfortingly sweet "Sweet Potato Desserts" and more. We've also prepared a wide array of new menu items to whet your appetite and keep you coming back for more. Customers can now also upgrade the rice in the Daily Lunch and Grill Lunch sets to "Curry Rice" for a great value lunch option. During our winter fair, we offered a selection of warming dishes including the piping hot "Hakata Motsunabe Set Meal (with Champon Noodles)," the richly flavored "Hiroshima Oyster Fry Set Meal," and the indulgent dessert "Rich Tiramisu Parfait made with Hokkaido Mascarpone Cheese." In addition, we featured a lineup of comforting, body-warming menu items along with three varieties of rich desserts.

Furthermore, in July, we offered collaboration menu items with Peanuts, which were well received in the previous fiscal year. In December, we also conducted two rounds of collaboration with the popular anime One Piece, offering menu items such as "Luffy's Don!! Heaping Meat Grill & Straw Hat Omelet Rice" and "Chopper's Cherry Blossom Pancake Plate."

In sales measures, as a priority initiative, we reviewed work check sheets in an effort to maintain and improve food quality and thoroughly worked on each operation to ensure that we can consistently provide good quality, visually pleasing, fresh, and tasty food.

Additionally, as part of our sales promotion efforts, we aired new collaborative TV commercials with PEANUTS and a new TV commercial introducing our new fall/winter Grand Menu, starring Joyfull's Advertising Director Ryuji Akiyama (Robert). Furthermore, in September, we held a hands-on event—a new product tasting session & Fukuoka factory tour—for the general public and media, which was well-received in the previous year. Participants created their own one-of-a-kind original parfait and toured the factory to see the manufacturing and distribution processes. In November, we conducted a "Kids Half-Price Campaign" targeting families with children. In addition, we introduced table-side payment—allowing customers to settle their bills at their preferred timing without staff assistance—at all Joyfull locations, excluding certain franchise stores, thereby further enhancing customer convenience.

During the six months ended December 31, 2025 period of the current fiscal year, the total number of stores reached 669, as a result of the opening of 8 directly operated group stores. In addition, due to the conversion of 43 stores from directly operated to franchise, the number of directly operated group stores was 421 and franchise stores totaled 248.

As a result of the above initiatives, the business results for the six months ended December 31, 2025 period of the current consolidated fiscal year were as follows: net sales amounted to USD 247,473 thousand (up 4.4% year-on-year), operating profit was USD 19,527 thousand (up 15.8% year-on-year), ordinary profit was USD 19,780 thousand (up 16.7% year-on-year), and net profit attributable to owners of

parent was USD 12,493 thousand (down 9.6% year-on-year).

We will continue to hone our management efforts in an effort to improve the figures for our key performance indicators (KPIs): return on Assets (ROA), return on sales, labor productivity, and return on equity (ROE).

In addition, the Company owns a special subsidiary engaged in insurance agency operations; however, its contribution to the consolidated results is immaterial, and since the Group has only one reportable segment—restaurant operations—disclosure of segment information has been omitted.

(2) Analysis of financial position

i) Assets

Total assets as of December 31, 2025 amounted to USD 225,967 thousand, an increase of USD 15,173 thousand compared with the end of the previous consolidated fiscal year.

This was mainly due to an increase in land of USD 6,700 thousand, an increase in cash and deposits of USD 4,947 thousand, an increase in accounts receivable of USD 3,073 thousand, an increase in raw materials and supplies of USD 2,213 thousand, a decrease in other current assets of USD 1,013 thousand, and a decrease in tools, furniture and fixtures of USD 733 thousand.

ii) Liabilities

Total liabilities as of the end of the six months ended December 31, 2025 amounted to USD 130,880 thousand, an increase of USD 2,773 thousand compared with the end of the previous consolidated fiscal year.

This was mainly due to an increase in income taxes payable of USD 5,380 thousand, a decrease in other current liabilities of USD 4,753 thousand, an increase in accounts payable of USD 4,473 thousand, a decrease in long-term borrowings of USD 4,200 thousand, an increase in short-term borrowings of USD 2,867 thousand, an increase in consumption taxes payable and other taxes of USD 2,500 thousand, and a decrease in accrued expenses of USD 2,173 thousand.

iii) Net assets

Total net assets as of the end of the six months ended December 31, 2025 amounted to USD 95,087 thousand, an increase of USD 12,393 thousand compared with the end of the previous consolidated fiscal year.

This was mainly due to an increase in retained earnings of USD 11,467 thousand.

(3) Analysis of cash flows

The principal funding requirements of the Group consist of raw material costs related to products sold, personnel expenses for store operations, and working capital such as rent, as well as capital expenditures. These funding needs were mainly covered by funds generated from operating activities; any shortfall was financed in a planned manner, including through long-term borrowings.

Cash and cash equivalents as of the end of the six months ended December 31, 2025 amounted to USD 16,807 thousand.

The status of each cash flow and the principal factors affecting them for the six months ended December 31, 2025 are as follows.

(Cash flows from operating activities)

Net cash provided by operating activities increased by USD 7,240 thousand year-on-year to USD 24,633 thousand. The principal components of cash flows from operating activities were profit before income taxes of USD 19,733 thousand, depreciation of USD 6,213 thousand, an increase in trade payables of USD 4,473 thousand, an increase in accrued/receivable consumption taxes of USD 3,207 thousand, a decrease in inventories of USD 2,733 thousand, and a decrease in accrued expenses of USD 2,173 thousand.

(Cash flows from investing activities)

Net cash used in investing activities decreased by USD 2,873 thousand year-on-year to USD 15,793 thousand. The principal component of cash flows from investing activities was expenditures for the acquisition of tangible and intangible fixed assets of USD 15,920 thousand.

(Cash flows from financing activities)

Net cash used in financing activities increased by USD 5,733 thousand year-on-year to negative USD 4,033 thousand. The principal components of cash flows from financing activities were expenditures for the repayment of long-term borrowings of USD 5,387 thousand and a net increase in short-term borrowings of USD 2,867 thousand.

2. Consolidated Financial Statements and Main Notes for the six months ended December 31, 2025

(1) Consolidated Balance Sheet for the six months ended December 31, 2025

(Unit: Thousands of USD)

	Previous consolidated fiscal year (June 30, 2025)	Six month ended December 31, 2025
Assets		
Current assets		
Cash and deposits	11,860	16,807
Accounts receivable	10,113	13,187
Merchandise and finished goods	4,773	5,293
Raw materials and supplies	8,587	10,800
Others	5,820	4,807
Total current assets	41,167	50,913
Non-current assets		
Property, plant and equipment		
Buildings and structures (net)	71,653	71,007
Machinery, equipment and vehicles (net)	9,200	9,720
Tools, furniture and fixtures (net)	5,053	4,313
Land	48,293	54,993
Leased assets (net)	1,847	1,527
Construction in progress	1,287	1,187
Total property, plant and equipment	137,347	142,767
Intangible assets	2,613	3,153
Investments and other assets		
Lease and guarantee deposits	16,913	16,913
Allowance for doubtful accounts	(0)	(0)
Others	12,740	12,213
Total investments and other assets	29,653	29,127
Total non-current assets	169,620	175,053
Total assets	210,787	225,967

(Unit: Thousands of USD)

	Previous consolidated fiscal year (June 30, 2025)	Six month ended December 31, 2025
Liabilities		
Current liabilities		
Accounts payable	14,580	19,053
Short-term borrowings	8,600	11,467
Current portion of long-term borrowings	10,067	8,880
Accrued expenses	18,740	16,560
Income taxes payable	607	5,987
Accrued consumption taxes	1,600	4,107
Provision for bonuses	640	760
Others	17,753	12,993
Total current liabilities	72,607	79,827
Non-current liabilities		
Long-term borrowings	24,667	20,467
Provision for directors' retirement benefits	1,013	1,013
Retirement benefit liabilities	5,653	5,707
Asset retirement obligations	21,240	21,380
Others	2,907	2,467
Total non-current liabilities	55,493	51,047
Total liabilities	128,100	130,880
Net assets		
Shareholders' equity		
Capital	667	667
Capital surplus	28,193	28,193
Retained earnings	62,713	74,187
Treasury shares	(10,067)	(10,067)
Total shareholders' equity	81,507	92,980
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	(47)	680
Revaluation reserve for land	(7)	(7)
Foreign currency translation adjustment	347	473
Accumulated adjustments for retirement benefits	273	213
Total accumulated other comprehensive income	567	1,360
Non-controlling Interests	607	740
Total net assets	82,687	95,087
Total liabilities and net assets	210,787	225,967

(2) Consolidated Statement of Income and Consolidated Statement of Comprehensive Income for the six months ended December 31, 2025

Consolidated Statement of Income for the six months ended December 31, 2025

(Unit: Thousands of USD)

	The six months ended December 31, 2024 (From July 1, 2024 to December 31, 2024)	Six month ended December 31, 2025 (From July 1, 2025 to December 31, 2025)
Net sales	237,047	247,473
Cost of sales	84,387	100,020
Gross profit	152,660	147,447
Selling, general and administrative expenses	135,793	127,920
Operating profit	16,867	19,527
Non-operating income		
Interest income	20	20
Rental income from real estate	360	353
Others	447	513
Total non-operating income	827	893
Non-operating expenses		
Interest expenses	320	307
Cost of real estate leasing	267	260
Others	147	67
Total non-operating expenses	747	633
Ordinary profit	16,947	19,780
Extraordinary loss		
Impairment loss	47	47
Provision for store closure loss	40	—
Total extraordinary loss	87	47
Profit before income taxes	16,853	19,733
Corporate, resident and enterprise taxes	680	5,973
Adjustment of corporate taxes	2,253	1,153
Total corporate taxes	2,933	7,127
Net profit	13,913	12,600
Net profit attributable to non-controlling interests	80	100
Net profit attributable to owners of parent	13,833	12,493

Consolidated Statement of Comprehensive Income for the six months ended December 31, 2025

(Unit: Thousands of USD)

	The six months ended December 31, 2024 (From July 1, 2024 to December 31, 2024)	Six month ended December 31, 2025 (From July 1, 2025 to December 31, 2025)
Net profit	13,913	12,600
Other comprehensive income		
Valuation difference on available-for-sale securities	67	727
Foreign currency translation adjustments	(93)	153
Remeasurements of defined benefit plans	(40)	(53)
Total other comprehensive income	(67)	827
Comprehensive income	13,847	13,427
(Breakdown)		
Comprehensive income attributable to owners of parent	13,780	13,293
Comprehensive income attributable to non-controlling interests	60	133

(3) Consolidated Statement of Cash Flows for the six months ended December 31, 2025

(Unit: Thousands of USD)

	The six months ended December 31, 2024 (From July 1, 2024 to December 31, 2024)	Six month ended December 31, 2025 (From July 1, 2025 to December 31, 2025)
Cash Flows from Operating Activities		
Profit before income taxes	16,853	19,733
Depreciation expense	5,600	6,213
Impairment loss	47	47
Interest and dividend income	(47)	(47)
Interest expenses	320	307
Changes in inventories	3,380 (increase)	2,733 (increase)
Changes in prepaid expenses	1,467 (decrease)	693 (decrease)
Changes in accounts receivable	173 (increase)	513 (increase)
Changes in trade payables	4,620 (increase)	4,473 (increase)
Changes in accrued expenses	2,707 (decrease)	2,173 (decrease)
Changes in consumption taxes payable or receivable	(2,153)	3,207
Others	(2,133)	(3,787)
Subtotal	18,307	25,420
Interest and dividends received	33	40
Interest paid	(320)	(307)
Income taxes paid	(633)	(513)
Cash flows from operating activities	17,393	24,633
Cash flows from investing activities		
Expenditures for the acquisition of tangible and intangible fixed assets	(6,360)	(15,920)
Expenditures for the acquisition of investment securities	(6,680)	20
Payments for lease and guarantee deposits	(47)	(127)
Proceeds from collection of lease and guarantee deposits	53	127
Others	113	100
Cash flows from investing activities	(12,913)	(15,793)
Cash flows from financing activities		
Net changes in short-term borrowings	733 (increase)	2,867 (increase)
Expenditures for the repayment of long-term borrowings	(9,013)	(5,387)
Dividends paid	(1,027)	(1,033)
Expenditures for the repayment of lease liabilities	(453)	(473)
Others	(0)	(0)
Cash flows from financing activities	(9,767)	(4,033)
Foreign exchange differences on cash and cash equivalents	(87)	140
Changes in cash and cash equivalents	5,380 (decrease)	4,947 (increase)
Cash and cash equivalents at beginning of period	23,173	11,860
Cash and cash equivalents at the end of the six months ended December 31, 2025	17,787	16,807

(4) Notes to the Consolidated Financial Statements for the six months ended December 31, 2025

(Notes on the Assumption of a Going Concern)

Not applicable.

(Notes in Case of Significant Changes in Shareholders' Equity)

Not applicable.

(Notes on Segment Information, etc.)

【Segment information】

As the Group has a single reportable segment, namely the restaurant business, segment information is omitted.

(Significant Subsequent Events)

(Regarding the squeeze-out process for making Friendly Corporation a wholly owned subsidiary)

Friendly Corporation, a subsidiary of the Company (hereinafter referred to as "Friendly"), resolved at the meeting of its Board of Directors held on January 19, 2026 to submit proposals regarding a share consolidation, the abolition of the provision on the number of shares constituting one unit, and partial amendments to the Articles of Incorporation to the extraordinary shareholders' meeting scheduled to be held on March 27, 2026 (hereinafter referred to as the "Extraordinary Shareholders' Meeting") and the class shareholders' meeting of common shareholders (hereinafter referred to as the "Class Shareholders' Meeting"), as well as to set a record date for convening the Extraordinary Shareholders' Meeting and the Class Shareholders' Meeting. During the six months ended December 31, 2025, the common shares of Friendly (hereinafter referred to as the "Friendly Shares") were listed on the Standard Market of the Tokyo Stock Exchange, Inc., and the Company owned 1,496,071 shares of Friendly Shares (voting rights ratio: 52.46%), thereby making Friendly a consolidated subsidiary.

Friendly plans to implement a share consolidation of the Friendly Shares (hereinafter referred to as the "Share Consolidation") as part of the procedures to make the Company the sole shareholder of Friendly and to delist the Friendly Shares. Following the effective date of the Share Consolidation, Friendly is expected to become a wholly owned subsidiary of the Company.

Specifically, as a result of the Share Consolidation, the number of Friendly Shares held by shareholders of Friendly other than the Company is expected to result in fractional shares of less than one share. Friendly plans to sell such fractional shares to the Company upon obtaining court approval pursuant to Article 234, Paragraph 2 of the Companies Act (Act No. 86 of 2005, including subsequent amendments), as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act. At the meeting of the Board of Directors held on January 19, 2026, the Company resolved to purchase such fractional shares. In this case, provided that the above court approval is obtained as planned, the purchase price is expected to be set at an amount that enables payment of cash equivalent to USD 2.10 multiplied by the number of Friendly Shares held by shareholders of Friendly other than the Company as recorded in the final shareholder registry of Friendly as of April 29, 2026, which is the day immediately preceding the effective date of the Share Consolidation.

In addition, at the meeting of the Board of Directors held on January 19, 2026, the Company resolved to approve the proposal regarding the Share Consolidation at the Extraordinary Shareholders' Meeting and the Class Shareholders' Meeting.

1. Overview of the transaction

(1) Name and description of the business of the combining entity

Name of the entity : Friendly Corporation

Description of business : Operation of the "Kamaage Sanuki Udon Kanokawa Seimen" chain in the food service business

(2) Date of the business combination

Following the effective date of the Share Consolidation, Friendly plans to file a petition with the court around mid-May 2026 seeking approval, pursuant to Article 234, Paragraph 2 of the Companies Act as applied mutatis mutandis pursuant to Article 235, Paragraph 2 of the same Act, for the sale to the Company of shares of the Company corresponding to the aggregate number of fractional shares of less than one share resulting from the Share Consolidation.

Although the timing for obtaining such court approval may vary depending on the circumstances

of the court, Friendly expects to obtain such approval and sell the Friendly Shares to the Company around mid-June 2026. Thereafter, after making the necessary preparations for distributing the proceeds from such sale to the shareholders, Friendly expects to distribute such proceeds to the shareholders around August 2026.

Taking into consideration the period required for the series of procedures related to the sale from the effective date of the Share Consolidation, Friendly has determined, as described above, that the sale of the Friendly Shares corresponding to the aggregate number of fractional shares of less than one share resulting from the Share Consolidation will be conducted at each respective time, and that the proceeds obtained from such sale will be distributed to the shareholders accordingly.

(3) Legal form of the business combination

Acquisition of shares from non-controlling shareholders

(4) Name of the combined entity after the business combination

There is no change.

(5) Other matters related to the overview of the transaction

As described above.

2. Overview of the accounting treatment implemented

The transaction is scheduled to be accounted for as a transaction with non-controlling shareholders among transactions under common control, in accordance with the “Accounting Standard for Business Combinations” (ASBJ Statement No. 21) and the “Implementation Guidance on Accounting Standard for Business Combinations and Accounting Standard for Business Divestitures” (ASBJ Guidance No. 10).

3. Matters related to the additional acquisition of shares of a subsidiary

Consideration for acquisition: Cash

Acquisition cost: Undetermined at this time.

4. Matters related to changes in the equity interest of the company submitting the consolidated financial statements resulting from transactions with non-controlling shareholders

(1) Main factors for changes in capital surplus

Additional acquisition of shares of a subsidiary

(2) Amount of capital surplus expected to increase as a result of transactions with non-controlling shareholders

Undetermined at this time.