EDION

Q1 FY03/26

Institutional Investor Meeting

EDION Corporation

August 5, 2025

1. Q1 FY03/26 Results

2. FY03/26 Earning Forecast

3. Key Topics

1. Q1 FY03/26 Results

Consolidated Statements of Income (Q1 FY03/26)

Million yen, %	Q1 FY03/25			Q1 FY03/26			
	% of Sales	Results	% of FY2024	% of Sales	Results	% of FY2025	YoY Change
Net Sales		**174,457**	**108.4**		**183,395**	**105.1**	**8,938**
Gross Profit	**29.96**	**52,270**	**107.8**	29.80	54,658	104.6	2,387
SG&A Expenses	**28.0**	**48,927**	**104.7**	**27.2**	**49,923**	**102.0**	**996**
Advertising and Selling Expenses	6.7	11,620	110.8	6.4	11,817	101.7	197
Personnel Expenses	11.5	20,100	101.4	11.3	20,693	102.9	592
Equipment Costs and Administrative Expenses	8.3	14,465	104.2	7.9	14,534	100.5	68
Depreciation	1.6	2,740	108.7	1.6	2,878	105.0	138
Operating Profit	**1.9**	**3,342**	**188.6**	**2.6**	**4,734**	**141.6**	**1,391**
Non-Operating Income	0.3	457	99.8	0.2	416	90.9	-41
Non-Operating Expenses	0.1	153	45.5	0.1	211	138.1	58
Ordinary Profit	**2.1**	**3,647**	**192.7**	**2.7**	**4,938**	**135.4**	**1,291**
Extraordinary Income	0.0	0	0.2	0.1	219	-	219
Extraordinary Losses	0.1	101	92.7	0.1	211	208.4	109
Profit before Income Taxes	2.0	3,545	196.4	**2.7**	**4,947**	**139.5**	**1,401**
Total Income Taxes	0.7	1,235	173.6	1.0	1,765	142.9	530
Profit Loss Attributable To Non Controlling Interests	0.0	30	-	-0.0	-21	-70.3	-51
Profit Attributable to Owners of the Parent	**1.3**	**2,280**	**208.5**	**1.7**	**3,202**	**140.5**	**922**

Summary

Net Sales
Sales increased, driven by air conditioners and mobile phones.
In addition, overall sales were strong due to the launch of new game consoles and demand for replacement PCs.

Gross Profit
Sales of game consoles released in June were strong, which affected gross profit margin due to the gross profit mix, but contributed to an increase in gross profit.

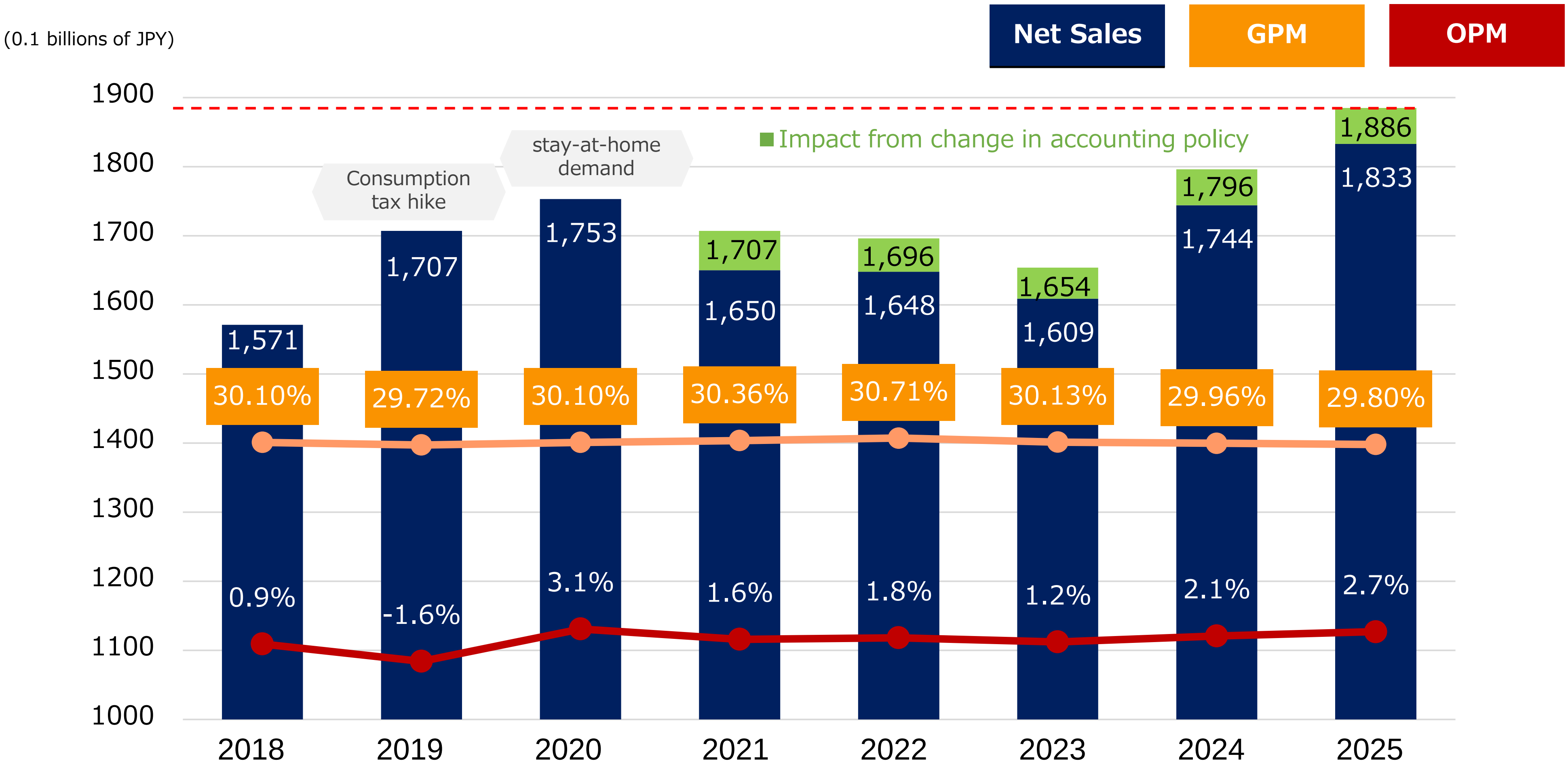
SG & A Expenses
Due to base increases, an increase in subsidiaries, new stores and renovations, etc.
SG & A expenses increased.
SG & A expenses ratio improved by 0.8 percentage points.

Non-Operating Expenses
Increase in interest expense due to increase in interest-bearing debt +41 million yen

Extraordinary Income
Compensation for withdrawal from free paper business: ¥200 million

Extraordinary Losses
Loss on retirement of fixed assets + ¥66 million Due to renovation, etc.
Cost of asset removal + ¥48 million Due to closure, renovation, etc.

Results (Q1 FY03/26)



■ Net Sales; Highest since FY 2018, even after the accounting policy change

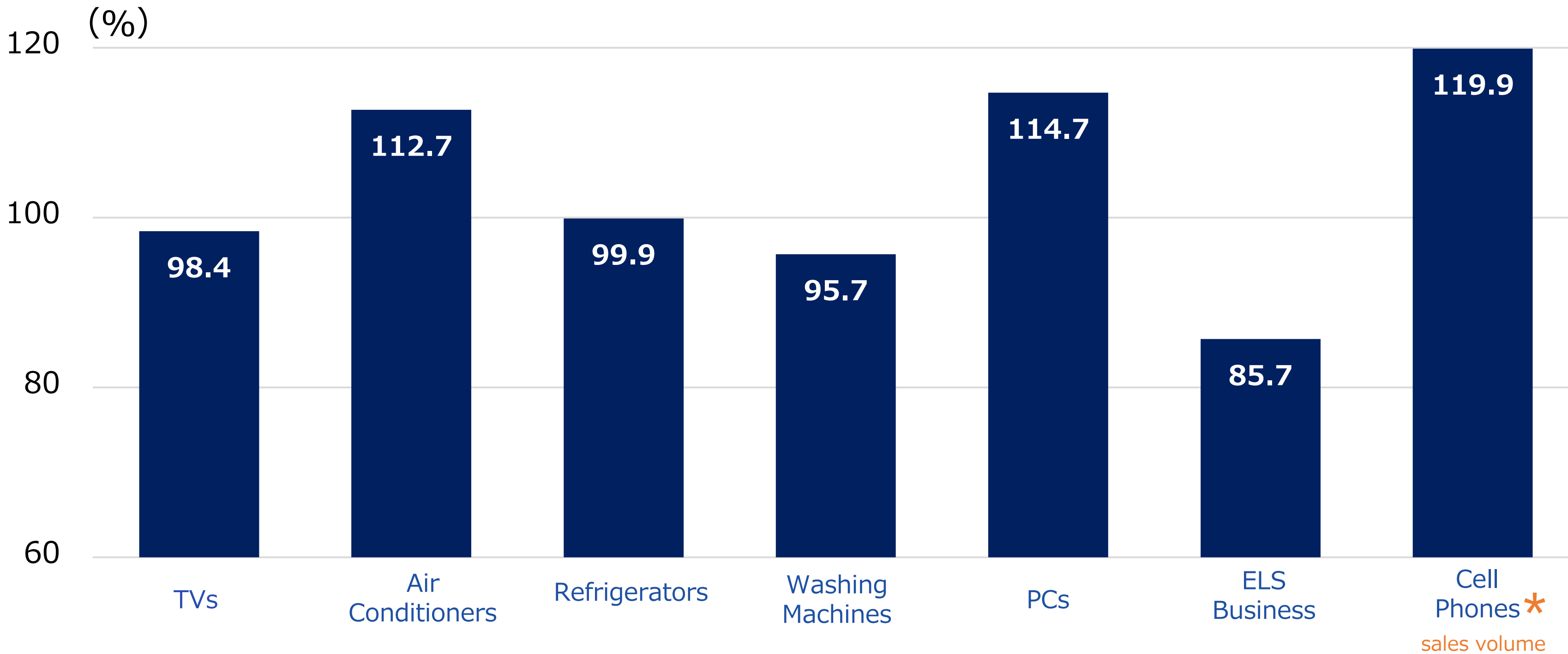
■ Gross Profit Margin; 29.80% in Q1 FY03/25, 29.96% in Q1 FY03/26. YoY change: -0.16% (mainly due to the effects of game consoles)

■ Sales Management Expense Ratio; Actual result for current term: 27.2%;
Previous term: 28.0%; 0.8% improvement/Ordinary income margin improved by 0.6% to 2.7%

Comparison of Orders by Product

YoY (Orders Acquired at POS)

■ Year-on-Year

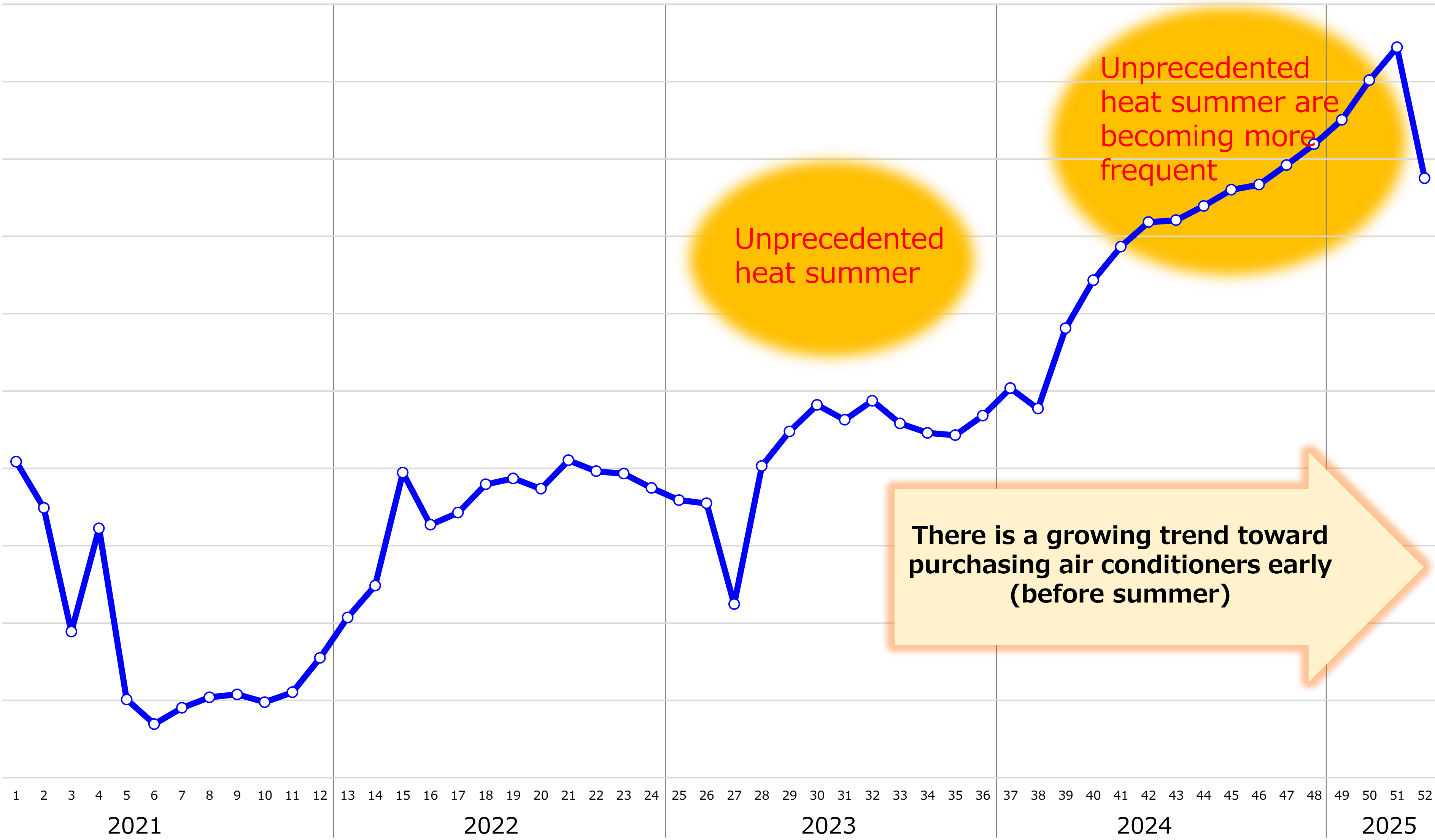


YoY(%)	TVs	Air Conditioners	Refrigerators	Washing Machines	PCs	ELS Business	Cell Phones*
Apr.	97.6	114.3	96.8	93.1	107.7	83.6	122.3
May	105.2	118.1	102.2	99.7	118.0	84.0	130.6
Jun.	94.4	108.8	100.5	94.4	120.9	89.3	105.0
1Q	98.4	112.7	99.9	95.7	114.7	85.7	119.9

Eco Living Solar (ELS): A general term that refers to renovations involving residential solar power facilities and other solar power systems

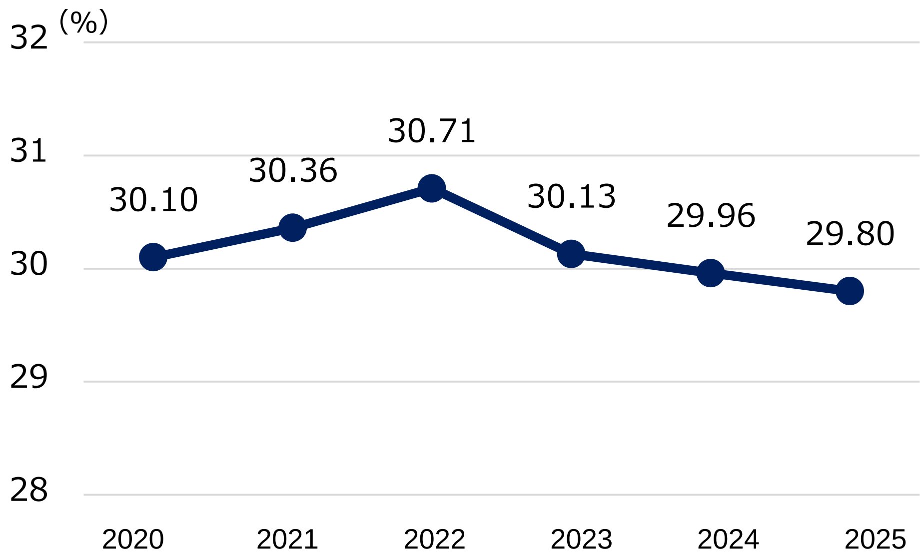
(Reference) Recent Trends in Air Conditioner Sales

12-month moving average graph of air conditioner sales at our EDION Store



Gross Profit Margin and SG&A Ratio

■ Gross Profit Margin

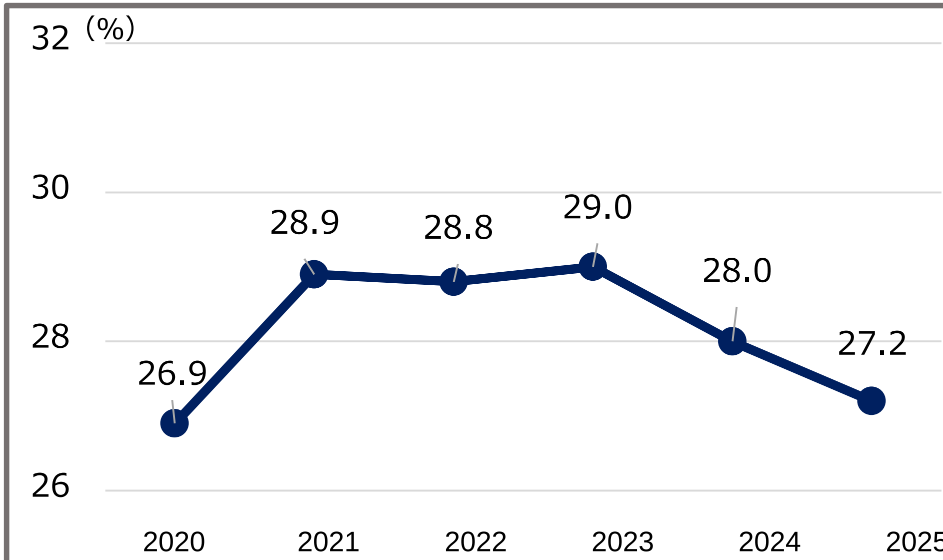


▷**GPM:** 29.80% in Q1 FY03/26, 29.96% in Q1 03/25,
YoY Change -0.16% (+JPY2.38bn)

(Main factors)
・Gross profit mix declined due to the impact of new game machine releases.

⇨ 0.14% downward impact

■ SG&A-to-sales Ratio



▷**SG&A-to-sales Ratio**
27.2% for the current fiscal year 28.0% YoY difference -0.8%

Selling, general and administrative expenses
JPY49.92 billion for the current fiscal year ¥48.92 billion YoY difference +JPY990 million

(Major increase in amount)
> Advertising and selling expenses;
+ JPY190mn. (change in sales + PY150mn.)
> Personnel expenses;+ JPY590mn. (base increase, etc.)
> Equipment and administrative expenses
+ JPY60 mn. (water and lighting expenses + JPY50mn.)
> Depreciation;+ JPY 130mn. (new store, etc.)

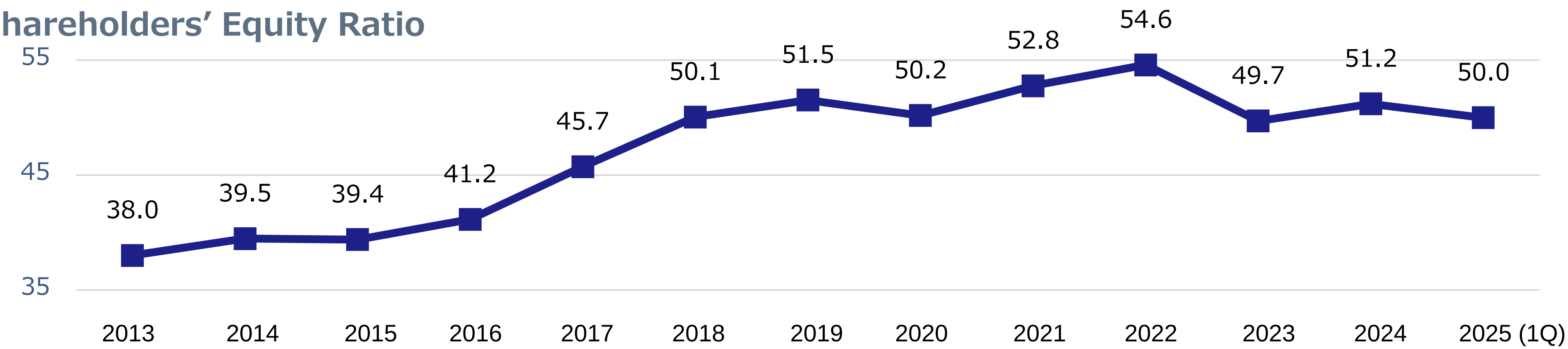
Consolidated Balance Sheet

Assets	2025 End of March	2025 End of June	Change
Cash and Deposits	8,834	10,142	1,307
Merchandise and finished goods	120,087	137,336	17,249
Other	62,251	57,641	△4,609
Total Current Assets	191,173	205,120	13,946
Total Property, Plant, and Equipment	175,690	175,451	△239
Total Intangible Assets	11,934	11,534	△400
Total Investments and Other Assets	56,032	55,320	△711
Total Non-Current Assets	243,657	242,306	△1,350
Total Assets	**434,830**	**447,426**	**12,596**

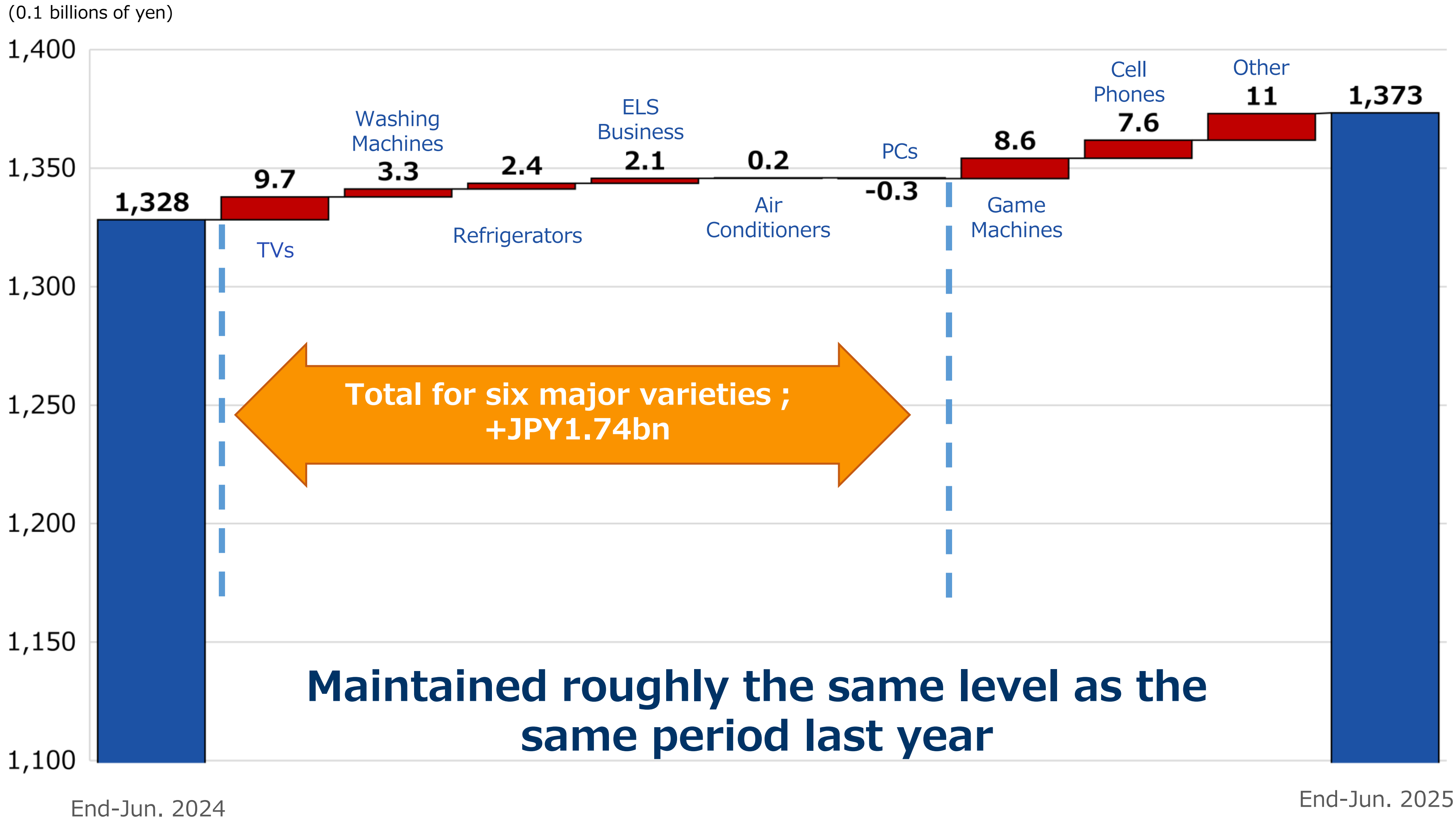
Liabilities and Net Assets	2025 End of March	2025 End of June	Change
Short-term Borrowings	31,255	40,719	9,464
Current Portion of Long-term Borrowings	3.470	3,369	△100
Current Portion of Bonds with Share Acquisition Rights	2,510	—	△2,510
Total Current Liabilities	144,220	156,251	12,030
Long-term Borrowings	40,667	39,841	△825
Total Non-Current Liabilities	67,664	2,746	△527
Total Liabilities	**211,884**	**223,387**	**11,503**
Total Net Assets	**222.946**	**224,039**	**1,093**
Total Liabilities and Net Assets	**434,830**	**447,426**	**12,596**

Some items in the accompanying financial statements have been summarized to preserve simplicity. Such changes are unaudited

Shareholders' Equity Ratio



Inventory Status



*Figures in the slide are rounded down to the nearest 100 million yen

2.　Earnings Forecasts and Store Opening Plans

Consolidated Earnings Forecast

No Revisions or Changes

Million yen, %	1H		2H		FY03/26			
	Forecast	YoY Change	Forecast	YoY Change	% of Sales	**Forecast**	% of FY03/25	YoY Change
Net Sales	**390,000**	**102.5**	**400,000**	**103.2**		**790,000**	**102.8**	**21,870**
Gross Profit	118,000	102.8	112,000	103.6	29.11	230,000	103.2	7,133
SG&A Expenses	103,000	102.7	102,000	102.8	25.9	205,000	102.8	5,528
Advertising and Selling Expenses	25,323	102.2	24,467	103.4	6.3	49,790	102.8	1,346
Personnel Expenses	41,496	102.0	41,604	101.6	10.5	83,100	101.8	1,439
Equipment Costs and Administrative Expenses	30,501	104.5	29,949	105.5	7.7	60,450	105.0	2,871
Depreciation	5,681	101.2	5,978	96.8	1.5	11,660	98.9	-129
Operating Profit	15,000	103.5	10,000	112.4	3.2	25,000	106.9	1,605
Ordinary Profit	16,000	106.5	10,000	107.3	3.3	26,000	106.8	1,649
Profit Attributable to Owners of the Parent	**10,200**	**101.7**	**4,300**	**105.2**	**1.8**	**14,500**	**102.7**	**381**

■**Net Sales** ; 1H Forecast:101.8%, 2H Forecast:102.9%, and 102.5% for the Full Year (vs. FY03/25)

■**Gross Profit Margin** ; Result projected to be level in comparison with FY03/25
Assumed level is 29.11% (previous year actual 29.01%)

■**SG&A Expenses** ; The main reason for the increase was an increase in sales fluctuations
(advertising costs and new store sales costs)
Increase in personnel costs due to increases in salary base, etc.
Facilities and administrative expenses will increase due to higher rents for new stores.
(Will be one-time expenses such as store relocation and remodeling costs in this fiscal year)

Store Openings, Relocations, and Closings (Actual and Planned)

			New Openings	Relocations and Renovations	Closures	YoY Change	End-of-Period Store Count
FY03/2025	**Actual**	Full-year	7	1	7	±0	454
FY03/2026	**Planned**	**Full-year**	**3**	**5**	**-**	**+3**	**457**
	Actual	**1Q**	**2**	**2**	**1**	**+1**	**455**

EDION Group **1,187** stores

As of end-June 2025

- **EDION-owned stores 455**
- **Franchise stores 732**

>Toyohashi Mira-Machi store (Aichi prefecture)
Opening April, 2025
commercial facility; COMMON STAGE MIRAMACHI

3. Key Topics

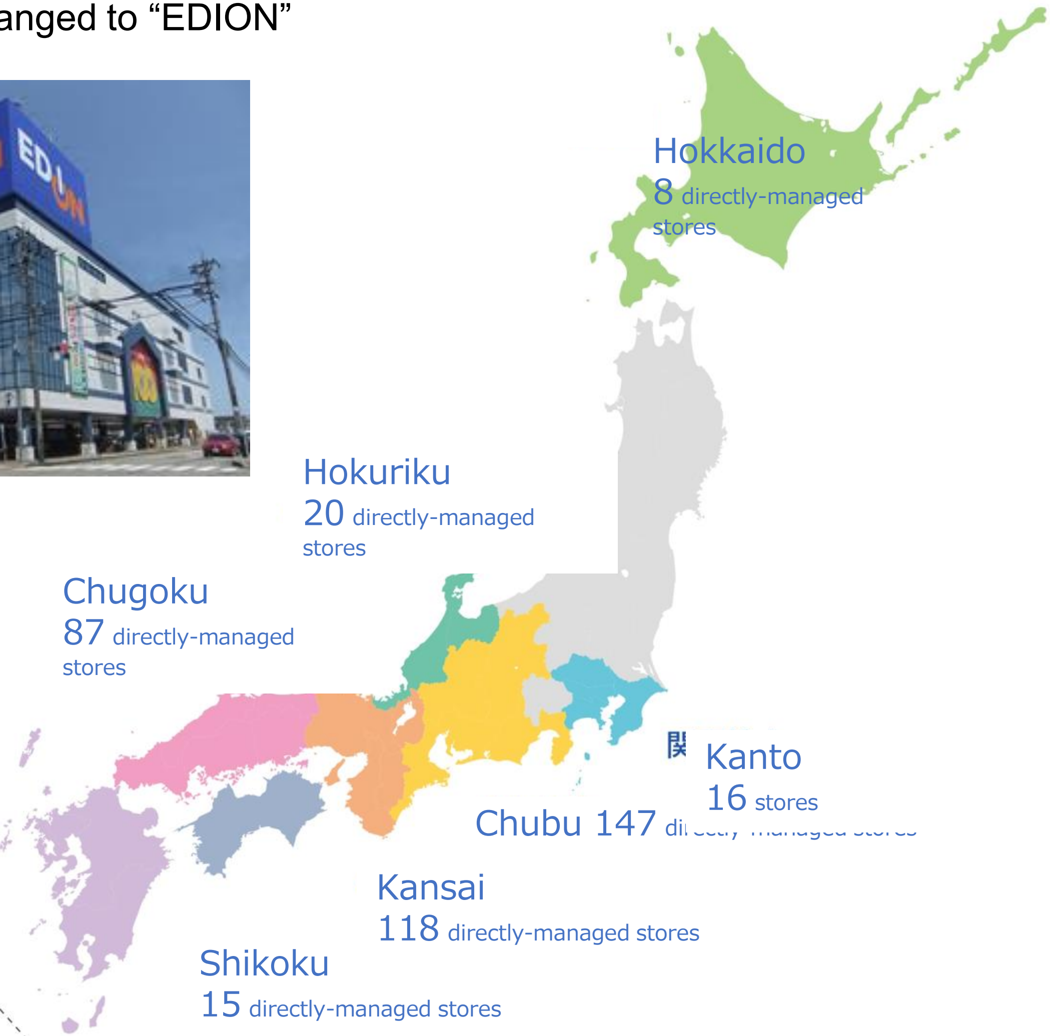
Increase Corporate Brand Value by Unifying Store Brands

"100-Man Volt" in the Hokuriku and Hokkaido areas changed to "EDION"

Number of Edion stores

455 stores

*As of June 30, 2025



From April 2025, Edion will also be renovated in stages

EDION Original PB Product [e angle]

NEW LIVING FROM A New Angle.

A unique, out-of-the-box approach to home appliances.
They are created by reexamining our daily lives.

Portable handheld fan (with cooling function)

Portable handheld fan

■ Check out the latest product lineup on the e-angle website (Japanese domestic specifications)

https://www.edion.com/eangle *(Published in Japanese)

Inbound Initiatives

During EXPO 2025 Osaka Kansai Expo
Expecting brand appeal to international visitors at the airport they use

(Closing ceremony Monday, October 13)



Current inbound corner photo: Reference for pop-up stores

Pop-up shop opened at Kansai International Airport

Period: Saturday, August 9, 2025 - Sunday, October 26, 2025

- Promoting the EDION Brand
- Brick-and-mortar store visits (Namba, Shinsaibashi, Dotonbori, and Kyoto Kawaramachi)
- Encouraging purchase motivation
- Approaching the demand for souvenirs

Digitization of Receipts Begins

Electronic receipts will be more environmentally friendly

Make it more convenient by linking with apps!
Make it more comfortable!

Starting August 26, 2025, electronic receipts will be available at EDION all stores.

By digitizing receipts that were previously issued on paper, customers will be able to easily check their purchase history at any time from their smart phones, without having to spend time storing and organizing receipts.
We expect this to result in a 30% reduction in the number of receipts issued.

Strengthening Service Menu

キーパーコーティング

In addition to cleaning household appliances such as air conditioners, washing machines, and range hoods, we are expanding our service menu to meet customer requests.
Examples include drain pipe cleaning (2023) and protective coating for water fixtures (2024).

ESG Sustainability Initiatives

Environment

●CO_2 emissions reduction targets:
FY 2030 target 46% reduction compared to FY 2013　FY 2050 target carbon neutral

●Promotion of energy-saving stores:
2 stores with Nearly ZEB certification

●Number of photovoltaic power generation systems installed: 87
Promotion of PPA model

● Formulation and Disclosure of CO_2 Reduction Roadmap
(Annual Securities Report)

Social

●Promotion of work style reform:
Efforts to achieve 0 overtime, retirement age extension and re-employment

●Excellent health management corporations (large corporations):
Acquired for 6 consecutive years

●Community contribution activities:
・Support for the independence of people with disabilities (Parallin Art)
・Community contribution through sports　(Athletics, archery, soccer)

Paralym Art®
障がい者アートを応援しています

2025
健康経営優良法人
KENKO Investment for Health
大規模法人部門

● Realizing our Corporate Philosophy. Achieving Long-Lasting Customer Satisfaction Through Outstanding Products and Reliable Service

Governance

●Sustainability Management
・Establishment of Sustainability Promotion Committee（June, 2022)
・Establishment of Sustainability Policy (May, 2023)

●Enhancement of Transparency and Enhancement of the Board of Directors.
・Percentage of Outside Directors 50.0% (8)
・Percentage of Female Directors 12.5% Nomination and

●Compensation Committee
・Percentage of Independent Outside Directors 75%

● Transition to a company with an audit board and supervisory committee.
Improved flexibility and speed of decision-making in business execution (June 2024)

For the latest ESG/sustainability information, please visit the following website (https://www.edion.co.jp/en/sustainability). The website uses machine translation.

Dividends and Share Prices

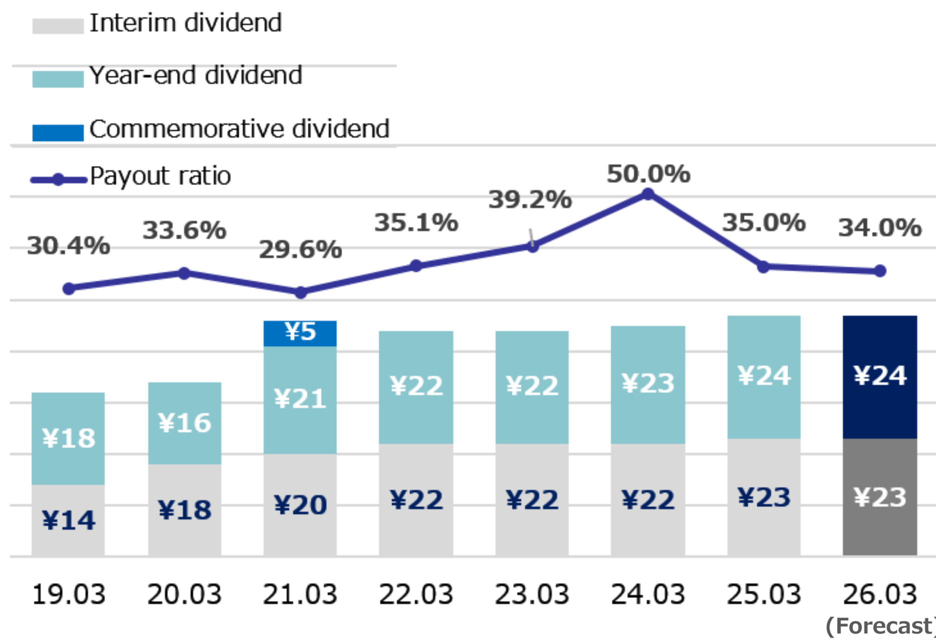
While striving to improve capital efficiency, as measured through ROIC growth, we will focus on maintaining a sound and stable balance sheet.

1. Dividend Policy

EDION recognizes the return of profits to shareholders as an important management issue. Accordingly, we maintain a basic dividend policy of providing stable dividends with a payout ratio of at least 30% while comprehensively considering relevant factors such as business performance and our operating environment.

2. Share Buybacks

Based on the assumption that shareholder return measures contribute to the improvement in capital efficiency, we will flexibly implement these measures while comprehensively considering factors such as business performance, our operating environment, and various elements related to our market environment, including investments and stock prices.



■ **Stock Price Trends** (Ticker TYO:2730)

Disclaimer

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EDION Corporation

August 5, 2025