



CORPORATE PROFILE

DAIICHIKOSHO CO., LTD.

Singing

Life is better when you sing.



When you're happy, sing it out to the world.

When you're sad, sing away your blues.

When you want to make friends, sing together.

Sing alone and get lost in your own world.

Sing to laugh. Sing to cry. Sing for joy.

Singing isn't only about having a good time.

Singing has the power to nourish body and soul,
and can change the world for the better.

Young and old, green and wise,
let's all sing together.

We can make tomorrow even better.



DAIICHIKOSHO Group

is doing everything in its power

to spread the magic of singing to society.

Top Message
Making our services
easier to **understand** and **use**.



DAIICHIKOSHO
continues to
provide joy and fun.

Tadahiro Hoshi
President

Karaoke has established its presence as accessible entertainment for everyone. In the hope that as many people as possible enjoy singing as many songs as possible in karaoke, DAIICHIKOSHO Group, the leading company in karaoke, has enhanced content offerings for the ease of singing, sound quality, and vivid video quality for over forty years since its establishment. In addition, DAIICHIKOSHO Group is stepping up efforts to make each BIG ECHO location, as well as karaoke rooms and restaurants a comfortable space. Today, there are over 130 sales bases nationwide and approximately 700 directly-managed karaoke rooms and restaurants where we undertake business rooted in the community.

In recent years, the opportunities for karaoke have become more exceptionally diversified. In addition to its traditional role as accessible entertainment, karaoke's health-promoting benefits in a super-aging society are now in the spotlight. We believe that by adequately responding to people's expectations helps improve the added value of our services and further development in our business. Though our business has been significantly affected by the COVID-19 pandemic that started in 2020, we heard from many people who said "We want to sing karaoke," even while various activities were restricted, reminding us once again of the persistent popularity and the necessity of karaoke.

Making our services easier to understand and use—
With this basic principle, DAIICHIKOSHO Group is pledged to improve the level of services for karaoke.
We strive to continuously be a contributor of the joy and fun for customers by actively embarking on new businesses.

Introducing DAICHIKOSHO

More music to society, more service to society

DAIICHIKOSHO focuses on karaoke to promote and advance music as a mode of communication.

Commercial Karaoke Business

We are proud of our position as a market pioneer and the leading company in karaoke business.

We provide commercial karaoke system sales and rental and offer musics and videos for online karaoke.



Karaoke Room and Restaurant Business

Interpersonal connection space makes the ultimate entertainment.

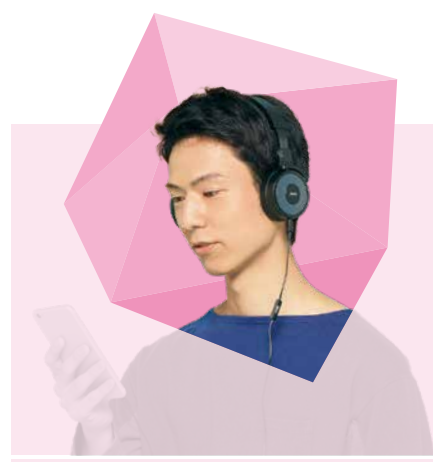
Management of karaoke rooms "BIG ECHO" and restaurants.



Music software business

Offering timeless and popular songs that match the sentiments of people.

We produce and distribute music and video software.



Franchise Business

All-round consulting services for karaoke box management.

We are expanding the franchise chain KARAOKE CLUB DAM.



Parking Business

Town Development Leading to the Future

Proposing new methods of land utilization.



BGM Broadcast Business

Sophisticated BGM creates a pleasant atmosphere.

We offer 110 channels of music broadcasts.



Web Business

Offering the fun of karaoke any time.

We also offer web streaming karaoke services.



Elder Business

Healthy mind and body with the power of singing and music.

The DK ELDER SYSTEM promotes karaoke as part of preventive care for better health of the elderly.



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| Commercial Karaoke Business |

We are proud of our position as a market pioneer and the leading company in karaoke business.



DAM supplies high-quality entertainment

DAM holds a dominant share in the karaoke market and delivers sound and videos that make singing fun for karaoke singers around the nation. We plan and develop sophisticated karaoke music and video for commercial karaoke systems for broad-based users. In addition to over 130 direct business offices, sales subsidiaries, corporate sales offices, we also have a strong nationwide distribution network. With our finely

tailored, locally rooted sales activities, we provide karaoke sales and rental solutions from installation to after-sales maintenance for end-to-end support of customer needs as part of our long-term relationship of trust. In recent years, karaoke has become a popular leisure activity, as well as attracting the attention of the healthcare industry, making its way into the wider business domain.



Karaoke market
Large share



Singing is fun and enjoyable
Sound and Videos



Thoughtful, courteous customer service
Over 130 sales bases nationwide

| Karaoke Room and Restaurant Business |

Interpersonal connection space makes the ultimate entertainment.



Offering a safe, secure space where customers can relax.

BIG ECHO is one of the largest karaoke facility in Japan. Along with clean interiors, excellent sound and video quality, and an extensive food and drink menu, BIG ECHO offers attentive customer service that values the principle of Japanese hospitality for a fun, casual karaoke experience for every customer. In addition, we offer a wide range of concept rooms that customers can select according to the mood and situation so that the joy of singing grows.

Our restaurants, offering delicious food and a comfortable space, provide customers a relaxing time with their close friends. We are expanding the opportunities for our customers to enjoy themselves with more than 20 brands with differing concepts in development, such as dining establishments, pubs, and entertainment bars. We continue to pursue further comfort at our stores and strive to create a space where people can connect through karaoke and food.

Best-suited for the full enjoyment of singing.



Restaurants offer time for relaxation.



Music software business

Offering timeless and popular songs that match the sentiments of people.

CROWN NIPPON CROWN Co., Ltd.



Comprehensive business expansion to promote the music industry.

We release numerous songs to the world through DAIICHIKOSHO Group record companies, NIPPON CROWN Co., Ltd. and Tokuma Japan Communications Co., Ltd. We use organic connections to create synergistic effects in popular hit songs for karaoke, as well as making use of accessible media to promote songs for karaoke and people. We specialize in management operations of artists and the music publication business. By developing a comprehensive music business fused with karaoke, we strive to boost the entire music industry.

NIPPON CROWN Co., Ltd.

Artists

Saburo Kitajima	Ichiro Toba
Hiroshi Miyama	Natsumi Kawano
Tetsuji Kimura	Junretsu
Yoshiko Hanzaki	BERRY GOODMAN
BiS	Ryota Kaizo
Gacharic Spin	and more.

<https://www.crownrecord.co.jp/>

Tokuma Japan Communications Co., Ltd.

Artists

Masao Sen
Ikuzo Yoshi
Akira Fuse
Kaori Mizumori
Hiroko Matsumae
Akio Kayama
Nobue Matsubara
Sanae Jonouchi
Kawori Aoi
Misaki Iwasa
FES☆TIVE
Jams Collection
chuLa
and more.

<https://www.tkma.co.jp/>



Franchise Business

All-round consulting services for karaoke box management.



We leverage the expertise we have acquired over many years to ensure the stable management of each store.

DAIICHIKOSHO is looking for a partner in our KARAOKE CLUB DAM franchise chain. We will thoroughly pass on our know-how of karaoke box operation accumulated over the last 35 years. Our comprehensive store management covers everything from the procurement of food ingredients to customer service skills focused on hospitality and sales promotions to attract customers.



Parking Business

Town Development Leading to the Future



A variety of parking facility options to accommodate all situations.

In today's motorized society, the role of the parking lot is growing every day. It is also an indispensable part of the matured motorized society. While the convenience of mobility has been improved by the remarkable development of transportation infrastructure, illegal parking and the shortage of parking lots have become serious social problems. Our group contributes to local communities and the creation of safe, secure, and comfortable cities through our nationwide network cultivated over many years and our meticulous support rooted in the community.

BGM Broadcast Business

Sophisticated BGM creates a pleasant atmosphere.



Digital radio offers 110 music channels to create the right ambience for retail stores and facilities.

Our commercial BGM broadcast services offer an extensive line-up of channels to deliver sophisticated music to a broad range of commercial facilities including stores using our karaoke services. We support the creation of a comfortable ambience and relaxing space through our BGM.



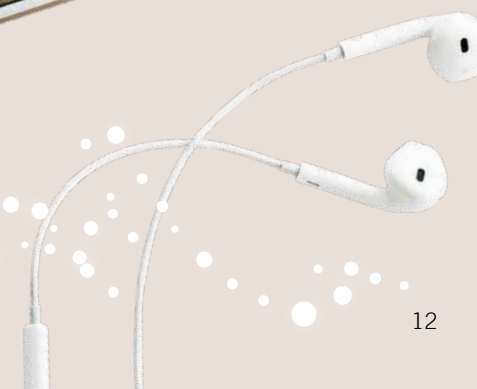
Web Business

Offering the fun of karaoke any time.

カラオケ@DAM
DAM★とも

Offering web content for more accessible karaoke.

By offering web-based streaming karaoke and a smartphone application, we strive to enhance services so that customers can enjoy karaoke. The karaoke user community service, DAM★TOMO, works simultaneously with commercial online karaoke DAM to expand the fun of singing karaoke.



Healthy mind and body with the power of singing and music.

DK ELDER SYSTEM

**Supports the extension of a healthy life expectancy
and the enjoyment of an active life for the elderly.**

**DAIICHIKOSHO made an early
entry into the elderly market.**

Japan is facing the unprecedented growth of an aging society compared to the rest of the world. There are numerous serious concerns about poor medical care, rising social security expenses, the increased burden of nursing care, and a decline in the working-age population.

To prepare for a super-aging society, we developed the DK ELDER SYSTEM in 2001 with the aim of using our main business of karaoke to assist in the preventive care and health maintenance of elderly people, and we have been working to popularize the system. The system leverages the essential enjoyment of "singing and



music" and takes advantage of the benefits of maintaining and increasing the life functions of exercise, singing, and perception to help prevent nursing care and promote the health of the elderly. The system offers an array of music developed with the basic concepts of moving the body and seeing with the eyes to encourage the fun of health-promotion programs continuously called music fitness session.

Singing karaoke with friends helps restore a healthy mind and improve mobility by moving along with music in rhythm. The system promises to help prevent and mitigate dementia by watching images that bring back memories.

**Functional training at nursing facilities and
the preventive nursing care for healthy people.**

While nursing facilities offer functional training programs in physical exercise like walking, it was a challenge to implement training that users could enjoy continuously. The DK ELDER SYSTEM adds elements of entertainment, "singing and music" to functional training and recreation activities for user comfort and enjoyment. The system has been evaluated to have an additional benefit of functional improvement and has been adopted in numerous



facilities.

On the other hand, there is also a growing awareness of its benefit in preventing nursing care for those who do not require help. In recent years, the DK ELDER SYSTEM has been introduced in an increasing number of community centers and public facilities where active senior citizens gather. The background for this is that the government has announced that it is taking measures against dementia by expanding "gathering places" such as public halls to increase the participation rate of the elderly at such facilities.

Many elderly people are not happy in an expression "preventive nursing care". Because it is also important to address the effort for preventive nursing care by those who feel they do not need help yet, the DK ELDER SYSTEM using karaoke is very effective. This preventive nursing care program is easy for the elderly to use, making

it a popular system among local governments across the country.

**The practice of preventive nursing care
programs integrates objects and users.**

DAIICHIKOSHO trains instructors who can maximize the benefits of the DK ELDER SYSTEM. We recommend becoming a certified music fitness trainer by acquiring a license issued by the JAPAN Music Health Association to increase cooperation with local governments and to clarify the issue of the decline in nursing care costs and medical costs in the future. We are promoting the practice of nursing care prevention and health promotion programs that integrates objects and users.

It is our wish for the elderly to live an active life for a long time. We support a bright, enjoyable super-aging society with the power of "singing and music" for the extension of a healthy life expectancy.

Basic Policy on Sustainability

The DAIICHIKOSHO Group aims to provide fun and happiness to society and contribute to healthy and enriching lives through karaoke.

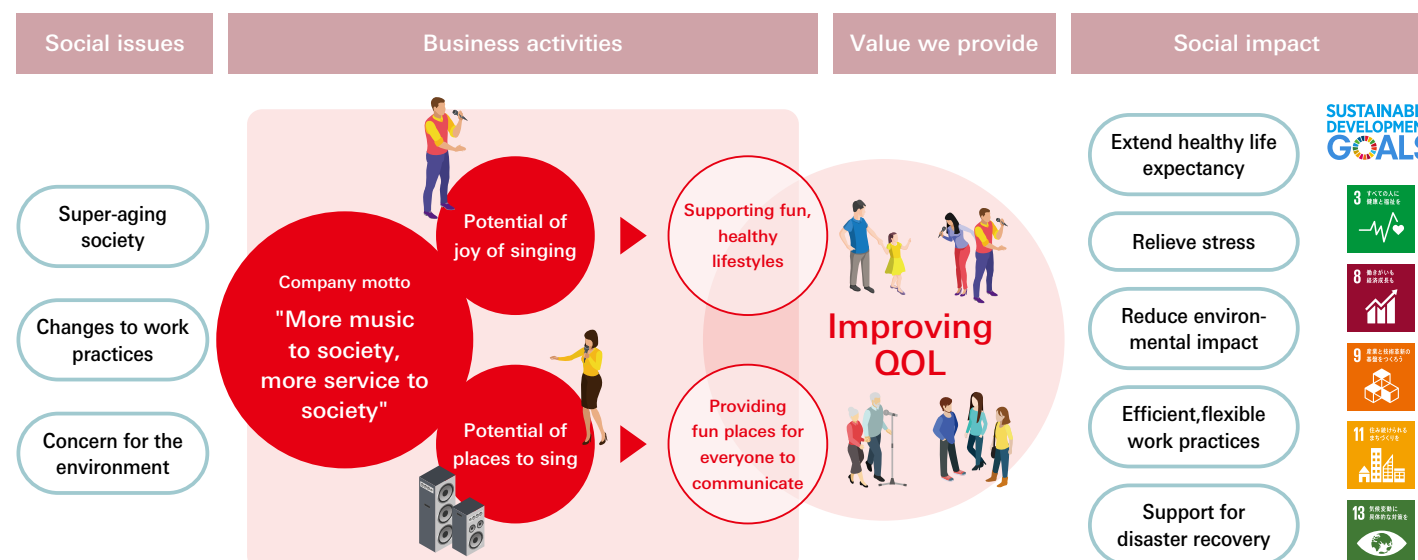
Materiality (Priority Issues)

Amid Japan's rapidly aging society, the DAIICHIKOSHO Group believes "extending healthy life expectancy" and "enhancing quality of life (QOL)" for the elderly are its priority issues, in line with its Basic Policy on Sustainability. The Group is also earnestly working to solve environmental problems and various other issues faced by society through its business activities.

Our Sustainability Story

Our business model, which aims to explore the full potential of the joy of singing, is helping to solve issues faced by Japan, such as its super-aging society and changing work practices. We are also using our business model to tackle global issues, as set out by the United Nations in its Sustainable Development Goals (SDGs). Going forward, we will continue to contribute to society by exploring the potential of the joy of singing.

Exploring the potential of the joy of singing to improve customer QOL



Corporate Profile

Corporate name	DAIICHIKOSHO CO., LTD.
Location	5-5-26 Kitashinagawa, Shinagawa City, Tokyo 141-8701 Japan Telephone +81-3-3280-2151 (Main)
Established	April 16, 1973
Capital	12,350 million yen
Listed stock market	Prime Market of the Tokyo Stock Exchange (Securities code: 7458)
Number of employees	1,880 company employees 3,340 group employees (As of the end of March 2023)
Business description	
Commercial karaoke business	Sales and rental of commercial karaoke systems and the offering of music and video for online karaoke
Karaoke room and restaurant business	Management of karaoke rooms "BIG ECHO" and restaurants
Music software business	Production and distribution of music and video software
Other businesses	Parking business Real estate leasing business BGM broadcast business and other.
URL	https://www.dkkaraoke.co.jp/english/

Executives

As of July 1, 2023

Directors / Corporate Auditors

President	Tadahiro Hoshi
Director	Harutoshi Hoshi
Director	Kenji Otsuka
Director	Takeshi Iijima
Director (Outside, Part-time)	Katsuya Taruishi
Director (Outside, Part-time)	Miki Kashizaki
Corporate Auditor (Outside, Standing)	Hiroshi Umetsu
Corporate Auditor (Standing)	Fumiaki Koizumi
Corporate Auditor (Outside, Part-time)	Masumi Arichika
Corporate Auditor (Part-time)	Hiroyoshi Shibano

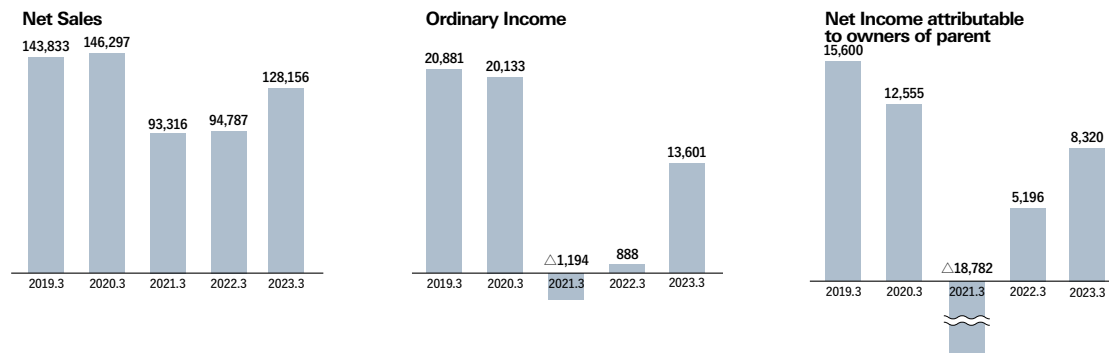
Corporate Officers

President and Chief Corporate Officer	Tadahiro Hoshi
Senior Managing Corporate Officer	Yuichi Murai
Senior Managing Corporate Officer	Yasuhiro Watanabe
Managing Corporate Officer	Harutoshi Hoshi
Managing Corporate Officer	Kenji Otsuka
Managing Corporate Officer	Takeshi Iijima
Senior Corporate Officer	Noriyuki Takehana
Senior Corporate Officer (Part-time)	Shuichiro Odajima
Corporate Officer	Hiroshi Kunitsu
Corporate Officer	Takeshi Sekizawa
Corporate Officer	Kenji Suda
Corporate Officer	Toshiharu Egashira
Corporate Officer	Ken Ohyama

Financial Results

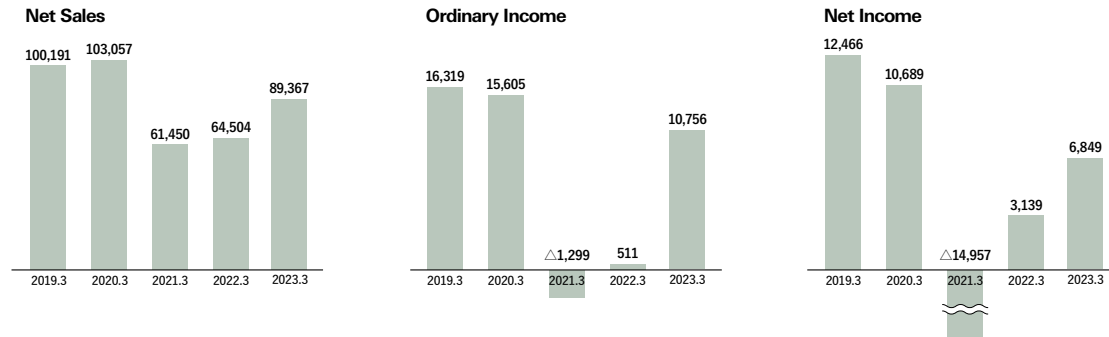
Consolidated

(millions of yen)



Unconsolidated

(millions of yen)



History

- March 1971 HOSHI SHOTEN founded by late Tadahiko Hoshi (former Honorary Chairman) in Chofu City, Tokyo, and commenced sales of audio equipment.*
- February 1976 Changed the NITTO INC. trade name and business direction to form DAIICHIKOSHO CO., LTD., in Nakano City, Tokyo, and commenced the commercial karaoke business.
- May Commenced sales of the Play Sound "TD-201" 8-track karaoke system and the "A Series" of karaoke tapes.
- October 1978 Formed COSMO CO., LTD., (currently SHIZUOKA DAIICHIKOSHO CO., LTD.) in Hachioji City, Tokyo, as the first sales subsidiary in Japan (as of the end of March 2023, we have 23 domestic subsidiaries).
- April 1979 Established the Tokyo Branch Office in Nakano City, Tokyo, as our first sales center for the karaoke equipment retail and leasing business (as of the end of March 2023, we have 49 direct business offices).
- April 1982 Established the Nagoya corporate sales office in Nagoya City, Aichi, as our first center in the karaoke equipment wholesale business (as of the end of March 2023, we have 8 corporate sales offices).
- June Relocated to a newly constructed head office building in Nakano-ku, Tokyo (current Tokyo Branch)
- May 1983 Commenced sales of the "LD-V10" laser disc (LD) karaoke system.
- October Commenced sales of the "CDK-4000" compact disc (CD) karaoke system.
- September 1984 Founded DK FINANCE CO., LTD., in Nakano City, Tokyo as a financial subsidiary.
- October 1986 Commenced sales of the "LC-V30" LD karaoke system with auto-changer function.
- July 1988 Founded Daiichi Kosho U.S.A. Inc. in New York City as an overseas subsidiary (as of the end of March 2023, we have 2 overseas subsidiaries).
- September Established the first karaoke room "BIG ECHO" Futamatase in Fukuoka City, Fukuoka (561 stores as of March 31, 2023).
- January 1989 Relocated to a newly constructed head office building in Shinagawa-ku, Tokyo.
- September 1992 Commenced sales of the "DVK-2000" CD karaoke system using video compression (DV-I).
- October 1993 Commenced sales of the "CDK-7F" VCD karaoke system using video compression (VCD).
- April 1994 Commenced sales of the "DAM-6400" online karaoke system and also began distribution of online karaoke sound source (MIDI).
- September 1995 Stock shares listed with Japan Securities Dealers Association.
- May 1996 Issued first unsecured convertible bonds.
- October Participated in multi-channel satellite digital broadcast service "PerfectTV!" (currently "SKY PerfectTV!"), and started broadcasting business.
- March 2000 Commenced ringtone service for mobile phones.
- June Commenced Internet streaming karaoke service "karaoke@DAM".
- February 2001 Commenced the "DK ELDER SYSTEM" sales of content useful for health maintenance and preventive care of elderly people.
- July The shareholding ratio increased due to the additional acquisition of shares, and made the record label NIPPON CROWN Co., Ltd. a subsidiary. (as of the end of March 2023, we have 8 music software subsidiaries).
- October Acquired all shares of Tokuma Japan Communications Co., Ltd., a record label subsidiary of Tokuma Group, to make it a subsidiary.
- October 2003 Acquired all shares of Tri-M, Inc., music software company, to make it a subsidiary.
- December 2004 Canceled over-the-counter registration with the Japan Securities Dealers Association and listed with JASDAQ Securities Exchange.
- December 2008 Commenced karaoke user community service "DAM★TOMO".
- April 2010 Upon the merger of JASDAQ Securities Exchange and Osaka Securities Exchange, listed with Osaka Securities Exchange JASDAQ.
- June Acquired all shares of BESTA FOODS, INC., which developed the karaoke gastropub chain MATSURI ITCHO, to make it a subsidiary of the Group.
- August 2011 Absorption-type merger with BESTA FOODS, INC.
- July 2012 Issued first and second unsecured corporate bonds.
- July 2013 Upon the merger of Tokyo Stock Exchange and Osaka Securities Exchange, listed with Tokyo Stock Exchange JASDAQ (Standard).
- February 2014 Acquired all shares of ADVAN CO., LTD., and GOLD CO., LTD., operators of "KARAOKE BANANA CLUB" at locations around the Shikoku region as a subsidiary.
- May 2015 Merged with ADVAN CO., LTD. and GOLD CO., LTD.
- December Listed to the First Section, Tokyo Stock Exchange, Inc.
- June 2017 Acquired all shares of Airside Co., Ltd., operator of "KARAOKE MAC" in the Tokyo area, as a subsidiary.
- April 2022 Changed the listed market to the Prime Market in accordance with the restructuring of market classifications of the Tokyo Stock Exchange.

*Formerly, DAIICHIKOSHO had a privately managed business known as HOSHI SHOTEN. It was founded in March 1971 in Chofu City, Tokyo, as a distributor of audio equipment. The business expanded substantially, and in February 1976, we took over an inactive company called NITTO INC. (founded in April 1973), and changed the business objectives and the name to DAIICHIKOSHO CO., LTD., and began business as a corporation.