YONDOSHI Holdings (8008, Corporate)

Initiating coverage: Multi-pillar growth

15th December 2025

Share price: ¥1,745

Market cap: ¥42.5bn

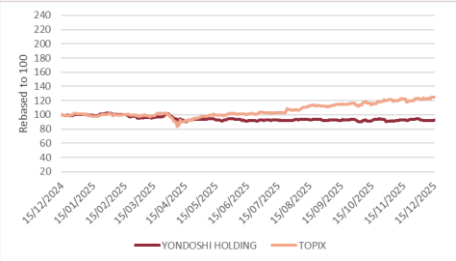
Through 4℃ brand renewal, RASIN expansion, apparel efficiency gains & improved returns, YONDOSHI Holdings is positioning for multi-pillar growth.

Company sector

Apparel, Accessories & Luxury

Stock data

Price (¥)	1,745
Mkt cap (¥bn)/($m)	42.5 / 273.4
52-week range (¥)	1,640 – 1,932
Shares O/S (m)	24.3
Average daily value ($m)	0.9
Free float (%)	75.5
Foreign shareholding (%)	2.7
Ticker	8008
Exchange	Tokyo Prime
Net Debt/Equity (x)	35.2



Source: Bloomberg

BUSINESS OVERVIEW

Yondoshi Holdings Inc. engages in the planning, manufacturing & retail of jewellery, as well as the manufacturing, wholesale & retail of apparel products. In December 2024, the company also entered the luxury watch reuse business through M&A.

Next event

1-3Q 2/26 results in January 2026

Storm Corporate: +44 (0) 121 815 9426
info@stormresearch.co.uk
Storm Corporate profile page

Yondoshi Holdings is a research client of Storm Research

- Jewellery & fashion accessory manufacturer & retailer YONDOSHI Holdings is **undergoing a strategic transformation to rebuild brand strength & expand earnings through diversification**. After several years of subdued growth in Japan's maturing jewellery market, it is refocusing on design renewal, digital engagement & entry into new segments, reflecting a shift in consumer behaviour from male gifting towards self-purchase & lifestyle expression.

- The group is currently structured around four pillars: Jewellery (F.D.C. Products), Luxury Watch Resale (RASIN), Apparel Manufacturing (AS'TY) & Apparel Retail (âge). F.D.C. Products is being rebuilt as a design-led, digitally engaged platform; RASIN is expanding as a luxury watch reseller; âge, which operates the daily fashion brand PALETTE, has expanded its business through the rollout of affordable fashion retail stores; & AS'TY supports profitability with cost-efficient OEM/ODM production. **Together, they create a balanced, cash-generative base supporting a sustainable earnings recovery & stronger shareholder returns**.

- The revitalisation of the 4°C brand is key. Centred on the concept of "water" as a source of vitality, the brand emphasises individuality, craftsmanship & sustainability. Via initiatives such as influencer tie-ups, social media storytelling & CRM-driven engagement, YONDOSHI Holdings aims to modernise the 4°C brand perception, broaden its customer base & lift sales per store.

- The Dec 2024 **acquisition of Tokyo-based luxury watch reseller RASIN marked a new strategic direction**. RASIN's agile pricing, high inventory turnover & extensive digital reach provide YONDOSHI Holdings with exposure to Japan's expanding luxury resale market, functioning as a growth driver to complement its jewellery business.

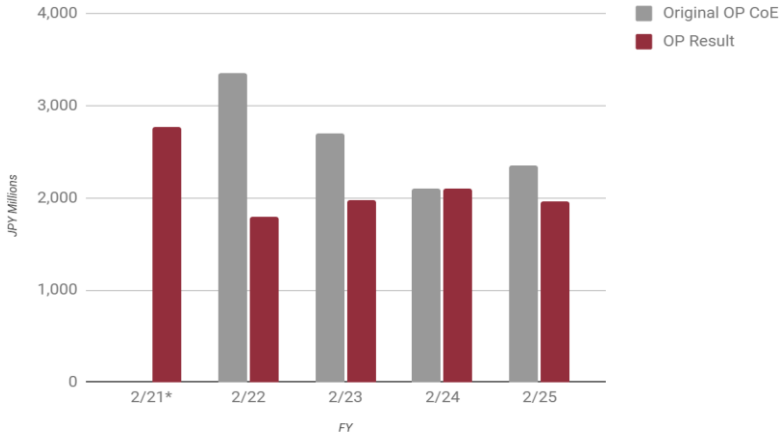
- In apparel, AS'TY is delivering margin improvement through expanded Bangladesh production (~60% of output) & stronger material development, whilst âge is steadily expanding the store network of PALETTE in the Kanto & Kansai regions, thereby growing its business scale. Both divisions underpin group profitability through steady earnings & operational efficiency.

- In aggregate, the 4°C brand revamp, allied to the RASIN acquisition & ongoing apparel growth, have started to reposition YONDOSHI Holdings to reinvigorate earnings in line with its 2030 Vision Plan. Taken alongside the company's specific & improving commitment to shareholder returns, we conclude it represents a fundamental shift in outlook & recommend investors engage with senior management for the full investment thesis: **here**.

Year end	2/2024	2/2025	1H 2/2026	2/2026E
Sales (¥bn)	39.5	45.9	32.5	66.0
OP (¥bn)	2.1	2.0	1.1	2.8
NP (¥bn)	1.3	1.4	0.8	1.6
EPS (¥)	60.7	64.2	36.4	74.5
DPS (¥)	83.0	83.0	41.5	83.0
Sales growth YoY (%)	-0.1	16.3	66.9	43.8
OP growth YoY (%)	5.9	-6.5	34.6	42.8
NP growth YoY (%)	13.2	5.9	16.3	16.2
EPS growth YoY (%)	13.1	5.8	16.3	16.2
PER (x)	31.3	28.0	24.8	26.8
EV/EBITDA (x)	11.9	15.6	12.7	14.0
PBR (x)	1.1	1.0	0.9	1.0
ROE (%)	2.4	3.6	3.8	n/a
ROIC (%)	2.6	2.4	n/a	n/a
FCF yield (%)	4.4	5.9	n/a	n/a
Dividend yield (%)	4.4	4.6	n/a	4.8

Financial metrics source: Company & Bloomberg

RESULTS VS FORECAST HISTORY



** FY 2/21 CoE not disclosed due to COVID.*

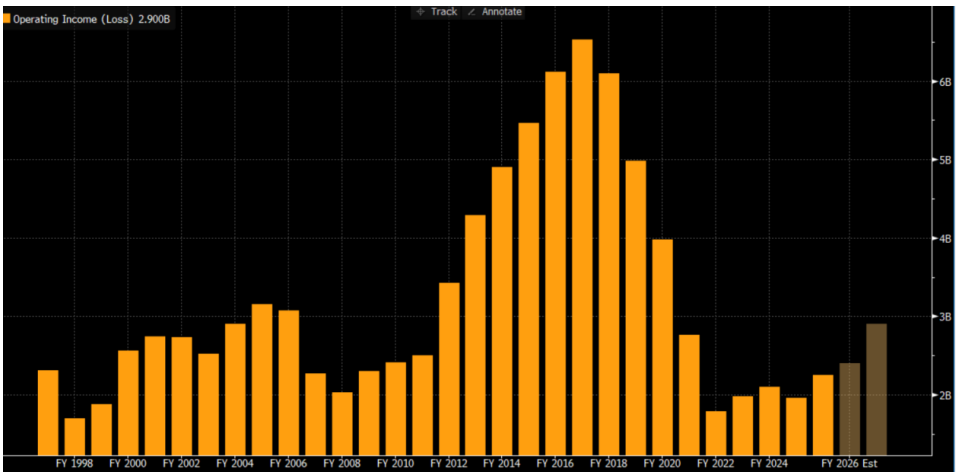
COMPANY BACKGROUND

YONDOSHI HOLDINGS (8008) traces its origins to Towa Orimono Co. Ltd, founded in May 1950 in Hiroshima, initially as a textile business, which evolved into apparel, then jewellery. **In 1972, the group launched *4°C* (ヨンドシー / YONDOSHI) jewellery, bringing it under the group via M&A in 1986, after which it would later become its core brand**. Over subsequent decades, through acquisitions, spin-offs, & reorganisations, the company rebranded as YONDOSHI HOLDINGS in 2013.

The name 4°C derives from the temperature found at the bottom of an ice-covered lake—the only place where fish can survive—symbolising a place of serenity. The brand places importance on the image of "water," which, whilst simple, is also multifaceted: at times like snow crystals that emit a delicate light, at times like the vast open sea, & at other times possessing the power to carve through rock & earth. Under these concepts, 4°C creates each piece with care & intention.

The company is led by Mr. Hidetoshi Masuda (62), who serves as President & Representative Director of YONDOSHI HOLDINGS. Masuda worked at World Co., Ltd. (3612) for 4 years, after which he became involved in managing his family's apparel retail business (now PALETTE). He later joined âge Co., Ltd. when the family business was integrated into the Asty Group, subsequently serving as Executive Director & then President, before being appointed President of Yondoshi Holdings in May 2021.

- Long term OP trend:



** Source: Bloomberg*

YONDOSHI Holdings' OP peaked in FY 2/17 at ¥6.5bn with an OPM of 13.1% during the height of *4°C*'s brand dominance & robust domestic bridal demand. OP subsequently declined to ¥2.0bn in FY 2/25 with a 4.3% OPM due to structural headwinds & shifts in consumer preferences following COVID-19.

- *Brand decline: 4°C*'s decline from 2017 reflects a **shift in Japan's fashion jewellery culture from sentiment-driven gifting to self-expression & lifestyle branding**. Once the country's most recognisable 'gift jewellery for young people', *4°C* built its success on affordable silver pieces symbolising youthful romance—typically bought by men for their girlfriends, with gifts from men accounting for ~70% of the brand's sales at its peak.

Popular designs such as a heart or teardrop-shaped necklaces were instantly recognisable as *4°C* pieces, but this formula became a weakness as younger consumers began seeking individuality, subtle luxury, & self-purchased items.

Rivals such as *ete*, *agete*, STAR Jewellery & *Vendome Aoyama* refreshed their designs with minimalist styling, gender-neutral aesthetics, & influencer-led digital marketing, whilst *4°C* struggled to move beyond its familiar motifs & its image as a "youth-oriented brand". As a result, the brand came to be viewed as dated & conventional, out of step with the more modern 'everyday luxury' trends.

Cultural perception compounded the decline. Around 2018–2020, *4°C* became a social media meme for uninspired boyfriend gifts, with hashtags such as *'彼氏から 4°C'* (*'I got 4°C from my boyfriend'*) spreading widely on Twitter & TikTok. The flood of *4°C* jewellery resold on Mercari further reinforced the image of mass market disposability. What had once symbolised affection & quality had come to evoke indifference & overexposure.

Whilst competitors adapted through storytelling, design renewal, e-commerce expansion & strengthening their high-end offerings, ***4°C* was slow to refresh its brand image, leaving it trapped in a shrinking, conservative market.** The brand's loss of cultural relevance & erosion of emotional value directly explains its market share decline versus faster-moving fashion jewellers.

- *Rebranding:* As the brand's emotional appeal waned, ４℃ recognised that ***4°C* had acquired an immature image & sought to rebrand it as a more adult, higher-quality label**. Unfortunately, the rollout of new collections coincided with the onset of COVID-19, which severely disrupted bridal demand amid a collapse in weddings.

Post-COVID, marriage numbers have remained structurally low due to demographic ageing, later marriage, & shifting social values, forcing ４℃ to close standalone bridal stores & consolidate them into department stores or fashion jewellery outlets. Meanwhile, the broader jewellery market also matured as young consumers began to focus on experiential consumption & shopping outside of department stores, eroding store traffic & pricing power.

In Sep 2023, ４℃ trialled a brand-anonymous pop-up store *匿名宝飾店* ('Anonymous Jewellery Shop') on Cat Street, Harajuku at BANK GALLERY. It removed all *4℃* signage so that visitors judged pieces purely by design & quality. Over the 2 weeks the pop-up was open, **it attracted >4,000 visitors versus the 2,000 target, & post-reveal surveys showed ~83% reported a more positive impression of the brand**.

MEDIUM TERM MANAGEMENT PLAN

In Apr 2024, YONDOSHI Holdings announced its 7th Medium-Term Management Plan (FY 2/25–FY 2/27) under the theme *'Challenge for the Future',* focused on stabilising its declining jewellery & apparel operations through brand renewal, digitalisation & cost reform.

As the first stage of the company's longer-term 2030 Vision, it aimed to rebuild profitability & improve capital efficiency, targeting ¥45bn FY 2/27 sales, ¥3.1bn OP, & a ≥6% ROE (pre-goodwill) —a cautious, recovery driven plan centred on rejuvenating the *4℃* brand, streamlining store operations & strengthening digital capabilities.

- *Acquisition*: In Dec 2024, YONDOSHI Holdings acquired a 97.2% stake in RASIN Co., Ltd., for ¥10.5bn from Private Equity operator Ant Capital Partners. RASIN, based in Tokyo & Osaka, is a retailer specialising in the resale of luxury watches such as Rolex, Omega & Patek Philippe.

The acquisition marked a strategic diversification beyond fashion jewellery into the fast-growing luxury resale market, where demand remains resilient despite weak discretionary spending.

The acquisition allows YONDOSHI Holdings to move beyond jewellery & enter the rapidly growing luxury resale market, advancing its strategic diversification. The resale market remains resilient even amid weak overall consumer spending.

RASIN's strong online platform, high stock turnover, & expertise in authentication & refurbishment provide YONDOSHI Holdings with access to **a data-driven resale business**.

Following the Dec 2024 RASIN acquisition, YONDOSHI Holdings revised both the 7th MTP & 2030 Vision in Apr 2025, incorporating the luxury watch resale business as a new pillar for improving consolidated performance.

- *Revised MTP:* The revised MTP targets ~¥70bn FY 2/27 sales, ~¥3.5bn OP, & a ≥8% ROE. The longer-term 2030 Vision was also raised to ¥80bn sales, ¥5.5bn OP & a ≥10% ROE, supported by a ≥4% DOE, a medium-term dividend goal of ¥100/share, & flexible buyback programmes.

In 1H 2/26 YONDOSHI Holdings sold part of its Fuji Co. Ltd stake recording a ¥200m extraordinary gain. Proceeds from cross-shareholding reductions are being redeployed towards growth businesses & shareholder returns, supporting sustainable value creation & higher capital efficiency across the group.

The acquisition **shifted YONDOSHI Holdings' strategy from stabilisation to expansion**, evolving towards a multi-pillar group comprising Jewellery (F.D.C. Products), Luxury Watch Resale (RASIN), Apparel Manufacturing (AS'TY) & Apparel Retail (PALETTE).

The revised MTP emphasises sustainable, value-driven growth across 4 investment priorities—new business creation, *4℃* brand enhancement, market expansion & human capital/DX—to strengthen profitability & improve capital allocation. Core initiatives include reforming merchandising at *4℃*, accelerating PALETTE's Kanto expansion, deepening digital engagement to enhance brand customer connectivity, & M&A.

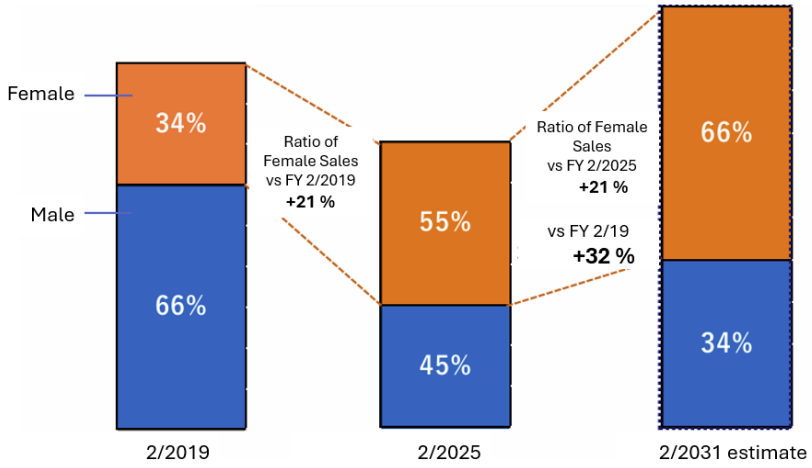
- *Reforms:* Management reforms centre on capital efficiency & shareholder value, linking cash flow generation, portfolio optimisation & RoE improvement. With RoE (pre-goodwill) expected to exceed 8% by FY 2/27—3 years ahead of the previous 2030 goal—YONDOSHI Holdings aims to maintain a stable dividend (DoE ≥4%) whilst using flexible buybacks to raise total shareholder returns.

Although the equity ratio declined from 76% to 58.5% post-acquisition due to increased leverage, capital productivity has improved, supporting further M&A & long-term earnings growth. Under the revised Vision 2030, YONDOSHI Holdings seeks to develop into a diversified, asset backed lifestyle platform anchored in jewellery, luxury resale & apparel, delivering sustainable profit growth, higher ROE & rising shareholder returns.

Under the plan, 4°C is **restoring brand relevance through merchandising reform, trend-driven product launches & design differentiation** across the *4°C*, Canal *4°C*, EAUDOUCE *4°C* & cofl by *4°C* lines. It emphasises craftsmanship & originality, whilst sustainable innovation through recycled metals & lab-grown diamonds appeals to younger, eco-conscious consumers.

A key pillar of 4°C's merchandising reform is expanding support among female customers. During the reform, sales of gifts for male customers—a former strength—have declined significantly, whilst female customers' own-purchase demand has steadily grown in both revenue & share. The company is now strengthening segment marketing & stimulating gift demand from male customers, aiming to rebuild a high-profit business model by returning to a growth trajectory alongside the expansion of its female customer base.

- Proportion of sales by gender:

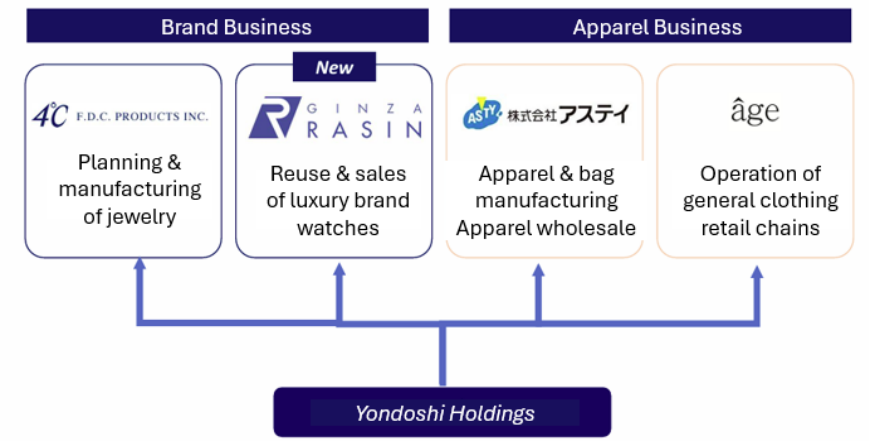


Source: Company

- Operational reform: Operationally, 4°C is pursuing an OMO (Online-Merge-Offline) strategy, linking online browsing, in-store reservation & purchases to modernise engagement & lift conversion. Underperforming bridal boutiques are being consolidated into larger *4°C* counters within department stores, serving as hybrid retail & fulfilment hubs.

Back-office integration across subsidiaries—accounting, logistics, IT & procurement—combined with tighter staff allocation & cash management **is improving efficiency & freeing up capital for reinvestment**. These reforms, together with the growth contribution from RASIN, position YONDOSHI Holdings for a gradual earnings recovery, higher ROE & sustainable multi-segment expansion under its revised MTP & 2030 Vision.

- The Four Pillar Model:



Source: Company

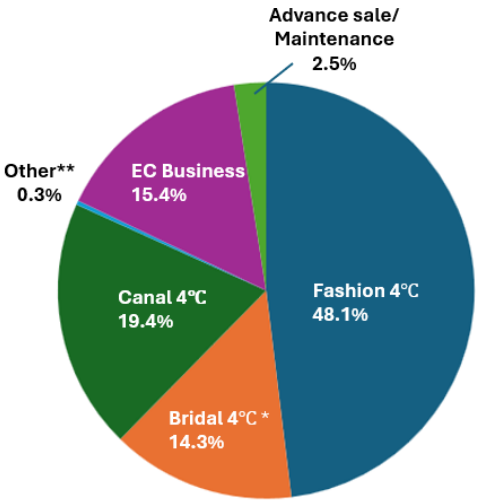
BRAND BUSINESS (F.D.C. PRODUCTS GROUP)

The F.D.C. Products Group operates jewellery brands including flagship 4°C, which established a tradition of giving jewellery to young women on their 19th birthday as a wish for lifelong happiness, as well as the classical EAUDOUCE 4°C, & the casual Canal 4°C.

The group operates under a SPA (Specialty retailer of Private-label Apparel) business model, handling every stage from design & manufacturing to retail, enabling rapid product development, consistent quality & higher margins through full in-house integration. It outsources production, mainly procuring from factories in Yamanashi.

As of 1H 2/26, F.D.C. Products accounted for 18.4% of total sales at ¥5.9bn -17.9%YoY.

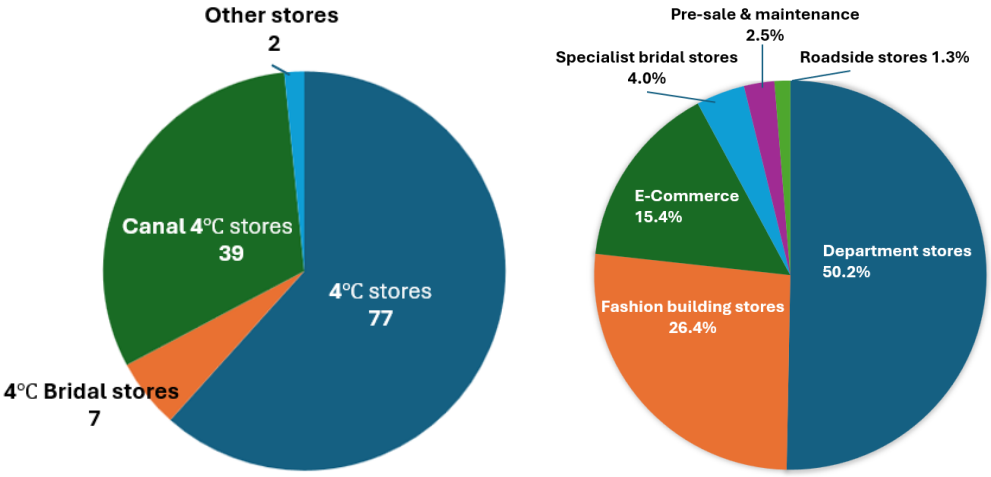
- Sales breakdown by brand:



** Includes EAU DOUCE 4℃*
*** Includes cofi by 4℃, RUGIADA, KAKERA.*
Source: Company

- Store numbers: As of 1H 2/26, 4°C had a total of 125 jewellery stores. The company is focusing on improving sales per store as opposed to opening new stores & expects to close two bridal stores & open one 4°C store in FY 2/26 to total 124.

- Store types & sales breakdown by channel as of 1H 2/26:



Source: Company

- Merchandising strategy: As part of its MTP, YONDOSHI Holdings has implemented a comprehensive merchandising renewal within F.D.C. Products to revitalise the *4°C* brand, broaden appeal & restore profitability. The new approach marks a shift from a traditional feminine style focused on male gift demand towards a fashion-forward offering that caters to personal-use demand from female customers, aligning with evolving consumer preferences.

Product development is now structured around a clearly segmented portfolio—4°C, Canal 4°C, EAUDOUCE 4°C & cofl by 4°C—allowing distinct positioning across casual, premium & sustainable lines.

Greater emphasis is being placed on limited collections reflecting seasonality & trend forecasting, promoting originality, emotional value & craftsmanship. **The sustainable cofl by 4°C line, featuring recycled metals & lab-grown diamonds, is central to attracting younger, eco-conscious buyers**.

Merchandising reforms are underpinned by data-led design & SKU management, using digital analytics to refine assortments, optimise price tiers & increase the share of gold & diamond products whilst maintaining accessible entry-level pieces. Enhanced product coordination—layered jewellery, matching sets & online exclusives—is designed to lift average spend & cross-category sales.

- Customer acquisition: F.D.C. Products is also accelerating digital marketing & customer acquisition, leveraging social media, influencer collaborations & personalised CRM tools to engage younger consumers who increasingly begin their jewellery search online. These efforts complement the group's broader OMO strategy, linking e-commerce with physical stores to expand reach, deepen engagement & drive repeat purchase behaviour.

- Store redesign: In parallel, store environments have been redesigned with warmer lighting, premium fixtures & consultation zones, providing a more sophisticated, experience-driven retail setting consistent with the upgraded brand identity. Together, these initiatives are reshaping 4°C into a modern, design-conscious brand.

- Customer base: The customer base has already diversified. Whereas ~70% of core Fashion *4°C* sales once came from men gifting to women, by FY 2/25 the split had evolved to **~40%**

female self-purchase, ~30% male gifting & ~30% couples, indicating that expanding women's self-purchase demand is steadily laying the foundation for renewed growth.

4°C Fashion jewellery

The 4°C brand is F.D.C. Products' flagship jewellery line, positioned as an accessible authentic brand. Its simple, high-quality designs embody purity & emotional connection. It targets young women & couples—particularly for gifts & bridal occasions—& serves as the core of YONDOSHI's Brand business. It targets 25–35-year-old career office ladies by selling through department stores with an average price of ¥36,000.

- Examples of 4°C jewellery products:



Source: Company

Whilst the majority of sales are via department stores, it also has 2 flagship stores in Tokyo's Ginza district & Osaka's Umeda (Grand Front Osaka).

- Ginza & Osaka flagship store:



4 ℃Ginza Flagship store



4 ℃SHOWCASE Grand Front Osaka store

Source: Company

F.D.C. Products' priority is to rebuild its brand to drive existing store sales growth, as opposed to opening new stores, as the company is already represented in most department stores nationwide & any further openings would result in cannibalisation.

As of 1H 2/26, E-Commerce accounted for ~18% of total jewellery sales.

4℃ Bridal jewellery

4°C Bridal jewellery is mainly sold alongside fashion jewellery in department stores, but at select locations, such as the Ginza Main Store, the brand operates dedicated bridal salons & collections. It offers rings, diamond pieces, & bespoke services for proposals & weddings. The average price range is ¥280,000-¥300,000 for engagement rings & ¥100,000-¥200,000 per wedding ring when bought as a pair.

Competition in Japan's bridal jewellery market remains intense, dominated by specialist brands such as I-PRIMO, Ginza Diamond Shiraishi, & NIWAKA, which command strong brand power, design differentiation, supported by nationwide boutique networks.

These companies operate with significantly larger advertising budgets than 4°C, reflecting their exclusive focus on the wedding jewellery market. As a result, 4°C's strategy is to maintain stable bridal jewellery sales whilst prioritising the revival of its fashion jewellery brands, where renewed design appeal, digital marketing & broader customer targeting offer greater growth potential.

- Example of 4°C Bridal jewellery:



Aqua Loop



Aqua Crown

Source: Company

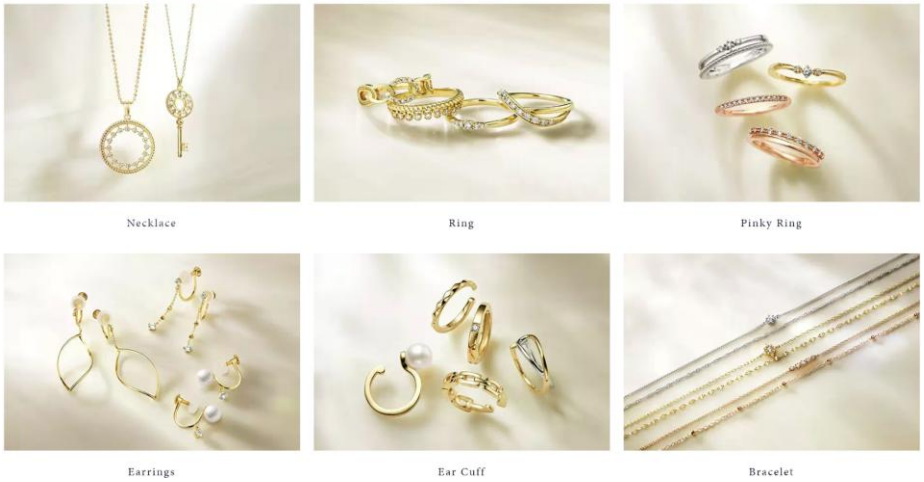
In July, the company renovated its Grand Front Osaka specialist Bridal store into a combined general Fashion & Bridal jewellery store. As of the 1H 2/26, the company operated 7 large stores with bridal salons of which 2 were roadside stores & the remaining 5 were located within shopping centres, offering both bridal & fashion jewellery.

EAU DOUCE *4℃*

This brand is 4°C 's authentic, refined jewellery line under the 4°C umbrella, positioned at a higher price point than the main brand through its use of gold, platinum & diamond materials & its refined, minimalist design. Sold mainly through department stores & the official online store, it targets female customers seeking understated luxury, whilst also catering to bridal demand.

Typical prices range from ~¥50,000 for rings & necklaces & ~¥30,000 for earrings to ¥200,000-¥300,000 for bridal rings, differentiating the brand through higher craftsmanship, a precious metal focus & an elegant, mature aesthetic distinct from the youthful image of core 4°C products.

- Examples of EAU DOUCE 4°C jewellery:



Source: Company

Canal *4℃*

Canal 4°C is positioned as a casual, everyday line under the F.D.C. Products umbrella, offering jewellery that 'connects emotions like a flowing canal', through gentle, wearable designs suited for daily life, not just special occasions.

It is the sister brand of 4°C, targeting 18–23-year-olds with an average price of ¥18,000. Most stores are located in retailers that carry slightly lower priced brands than the department stores, such as fashion buildings attached to train stations or shopping areas such as Parco & LaLaPort or Aeon. The line also offers bridal jewellery.

- Example of Canal 4°C Jewellery Products:



Source: Company

cofl by *4°C*

cofl by 4°C is the sustainability-oriented line, using eco-friendly materials such as recycled metals & lab-grown diamonds, aimed at consumers who prioritise ethical sourcing & environmental values in their choice of fine jewellery.

- Examples of cofl by *4°C jewellery:*



Source: Company

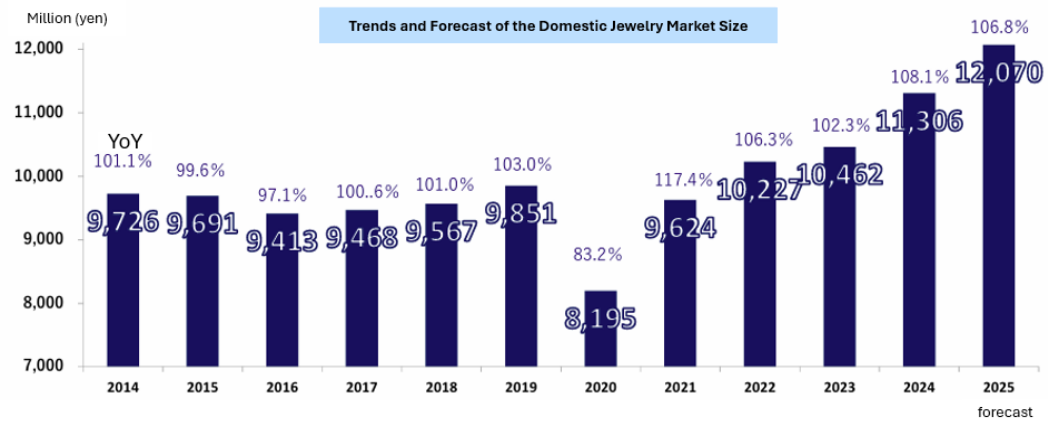
- Pricing: Procurement costs have continued to rise due to higher precious metal prices—particularly gold, silver & platinum—& increasing personnel costs. Over the last 3-4 years, 4℃ has largely offset higher costs through product price hikes in line with competitors, typically seeing a short rush in demand before each increase & a temporary decline that normalises within 1-2 months.

The Apr 2025 price hike was broader & steeper than usual, pushing many popular gift items above the key ¥30,000 threshold & slowing sales recovery. In response, F.D.C. Products partially reversed price increases in July 2025 & is expanding its lower-price range through new offerings with lower gold content & silver products, improving affordability without diluting brand appeal, whilst maintaining margins.

- Jewellery market: In 2024, Japan's domestic jewellery market expanded to ~¥1.1trn +8.1%YoY, supported by strong inbound demand for overseas brands & higher gold prices, which lifted product pricing. Sales of gold jewellery & high-quality diamonds remained firm, reflecting solid luxury spending.

The market is forecast to grow a further +6.8% in 2025 to ~¥1.2trn, driven by continued inbound consumption & sustained demand for jewellery amid persistently high gold prices.

- Domestic market growth:



Source: Yano Research Institute Ltd.

Within a fragmented domestic market F.D.C.Products has ~1% share. Overseas luxury brands such as BVLGARI, Cartier & Tiffany command ~40% domestic share. We assume domestic high-end (¥1m+ price range) jewellers command a further ~40% share, with the remaining 20% fashion jewellery (~¥240bn), of which F.D.C. Products are likely to command ~6% share. The company believes the fashion jewellery market is growing in line with the overall jewellery industry.

- *Competitors:* Within the fashion jewellery market, the main competitors are Vendome Aoyama, STAR JEWELRY, agete & ete. Brands such as ete, its sister brand Jouete, & others including BLOOM & THE KISS overlap most directly with Canal *4°C* given their focus on fashion building locations & lower price points. In contrast, Vendome Aoyama, STAR JEWELRY, & agete primarily operate within department stores.

RASIN

In Dec 2024, YONDOSHI Holdings acquired 97.2% of RASIN Co., Ltd. from Ant Capital Partners for ~¥10.5bn (& purchased the remaining 2.8% in Feb 2025, making it a wholly owned subsidiary), marking its strategic entry into Japan's fast-growing luxury watch resale market. The acquisition represents a key step in diversifying YONDOSHI Holdings' earnings base beyond jewellery & apparel & strengthens its overall business portfolio. It is also an important step towards leveraging M&A driven earnings expansion to fund future growth investments & enhance shareholder returns.

By integrating RASIN, YONDOSHI Holdings gains exposure to the structurally expanding resale market whilst reinforcing group profitability & growth potential—**effectively adding a new engine to drive long-term expansion within its portfolio**.

Founded in 2008, RASIN operates as a luxury watch specialist, offering both pre-owned (95%) & new (5%) high-end Swiss watches including Rolex, Omega, Patek Philippe & IWC. The company runs 4 premium boutiques—2 in Ginza (HQ & Rolex specialist on Chuo Dori), one newly opened (Jan 2025) in Shinjuku, & one in Osaka Shinsaibashi—all known for curated product range, rigorous quality control, multilingual staff & expert appraisal.

Its Ginza Chuo Dori Rolex specialist store is one of Japan's most prominent second-hand luxury watch outlets, renowned for its extensive Rolex selection & strong market reputation, generating ~¥10bn in annual sales. The Ginza flagship store differentiates through ultra-high-end models, contributing a further ~¥5bn in annual sales. The showrooms of the stores operating under the GINZA RASIN name combine premium presentation with online integration, listing >2,600 watches on Chrono24, **making it one of Japan's most digitally active luxury resellers**.

Since its consolidation in Dec 2024, RASIN contributed ¥6.4bn sales & ~¥400m OP (with a 6.2% OPM) in 3 months in FY 2/25. In FY 2/26, YONDOSHI Holdings forecasts ~¥28bn sales & ~¥1.8bn OP (OPM 6.4%), driven by a ¥3bn FY contribution from the new Shinjuku store & expanded inventory. The company has increased inventory +¥1.2bn YoY to ¥7.1bn, with ~¥700m allocated to the new Shinjuku store, & the remainder ahead of the peak winter/Christmas season.

- *Inventory:* Sales growth is closely tied to inventory levels, with management planning to invest ¥1bn annually to expand stock, targeting faster turnover & higher returns. RASIN's pricing agility—reviewing retail prices on a weekly basis in response to competitors' sales trends—supports rapid rotation (inventory turns within 15 days-2 months) & **maintains**

one of the highest turnover ratios in the industry. Procurement is balanced between individual sellers (50%) & market sourcing (50%) such as Komehyo (2780), ensuring stable sourcing even in tight supply conditions.

The company plans to expand after-sales services & open additional stores in major cities over the next 2-3 years, with M&A also under consideration.

- *Market:* Within Japan's highly developed luxury resale market, RASIN (GINZA RASIN) ranks 3rd or 4th in market share. Competitors include Watchnian Co., Ltd., Osaru to Meguma Co., Ltd. (Kamekichi), OKURA Co., Ltd. (under Geo Holdings, TSE: 2681), Next Twenty-One Co., Ltd. (JACKROAD), Use Company Co., Ltd. (Housekihiroba), & Syuppin Co., Ltd. (GMT, TSE Prime: 3179). RASIN differentiates through **a digital-first, high-turnover model, lean operations & unmatched Rolex inventory (~15,000 units per year).**

Backed by YONDOSHI Holdings' financial strength & digital systems, RASIN is likely to gain the capital flexibility to open stores, increase inventory, expand online reach & reinforce sourcing relationships. The acquisition provides YONDOSHI Holdings with exposure to Japan's rapidly expanding second-hand luxury watch market. In 2023, the branded goods segment alone reached ~¥365.6bn +19.4%YoY, & the total reuse goods market was ~¥3.1trn.

Ongoing growth is supported by sustainability trends, inbound tourism, the rarity & asset value associated with luxury brands, & younger consumers' increasing acceptance for pre-owned luxury goods. In addition, the proliferation of e-commerce platforms enabling nationwide & international access & the weak yen are attracting inbound buyers.

As of 1H 2/26, E-Commerce accounted for ~25% of RASIN sales of which ~39% was overseas sales, mainly via Chrono 24 & eBay.

Near-term, management's focus is on scaling sales & OP rather than margin optimisation, leveraging the structural growth of the luxury resale sector. Longer term, GINZA RASIN's strong brand trust, fast inventory cycle & integration within YONDOSHI Holdings' portfolio are set to provide a new growth pillar for the group & a foundation for sustainable profit expansion.



Source: Company

APPAREL BUSINESS

AS'TY Co., Ltd.

AS'TY functions as an **integrated apparel manufacturer**, planning, producing & supplying women & men's fashion & lifestyle wear, as well as bags, to major apparel specialty stores, clothing supermarkets, & mass retailers across Japan. Its competitive strengths include overseas production management centred in Bangladesh, China, & Vietnam, small-lot responsiveness & long-standing relationships with major domestic brands, which allow it to respond quickly to seasonal demand shifts.

In recent years the business has faced margin pressure from rising raw material & logistics costs, but it has begun to raise profitability through improved cost control, stronger overseas procurement & enhanced production efficiency. With living costs in Japan continuing to rise, AS'TY is focusing on developing products that combine affordability with added value, while strengthening its ability to propose new materials & designs to client retailers.

- *Margin improvement:* A key driver of margin improvement has been the structural shift in production to Bangladesh, which now accounts for ~60% of total volume across partner factories in 2 areas. **Production costs in Bangladesh are ~20% lower than China,** enabling significant savings whilst maintaining quality standards, giving the company strong cost competitiveness relative to industry peers.

AS'TY flexibly selects production countries to meet client requirements for quality, delivery schedules & pricing, ensuring stable product supply. For items manufactured in Bangladesh, functional materials other than cotton are primarily procured in China, sewn in Bangladesh & shipped to Japan.

The company's >10 years of direct engagement in Bangladesh gives it deep operational know-how that differentiates it from larger trading firms, providing a meaningful cost & quality advantage. Recently, the company also strengthened its material development capabilities, resulting in positive customer feedback & increased order volumes.

AS'TY supplies products to Japan's largest clothing supermarkets, major apparel brands, e-commerce platforms & general merchandise stores (GMS). The customer base remains stable whilst steadily expanding each year through new client acquisitions.

Amid yen depreciation & rising raw material & logistics costs, factors that have forced many competitors to raise delivery prices, AS'TY has enhanced its low-cost production platform. It is positioned to maintain steady sales growth whilst improving margins through cost discipline, material innovation & optimisation of its overseas production network.

âge Co., Ltd

âge operates the daily fashion chain 'PALETTE', which offers a broad range of essential everyday items — women's, men's & children's apparel, as well as functional basics such as underwear & socks, bags & other fashion accessories, & bedding — at affordable price points.

In recent years, the company has been expanding store openings in the Kanto region & strengthening product planning to better respond to climate variability. Under the 7th Medium-Term Management Plan, YONDOSHI Holdings is investing in new store openings & renovations for PALETTE to drive consolidated sales growth.

PALETTE's competitive edge lies in its community-focused approach & focus on practical, everyday clothing, differentiating it from general merchandise stores (GMS) & competing clothing superstores.

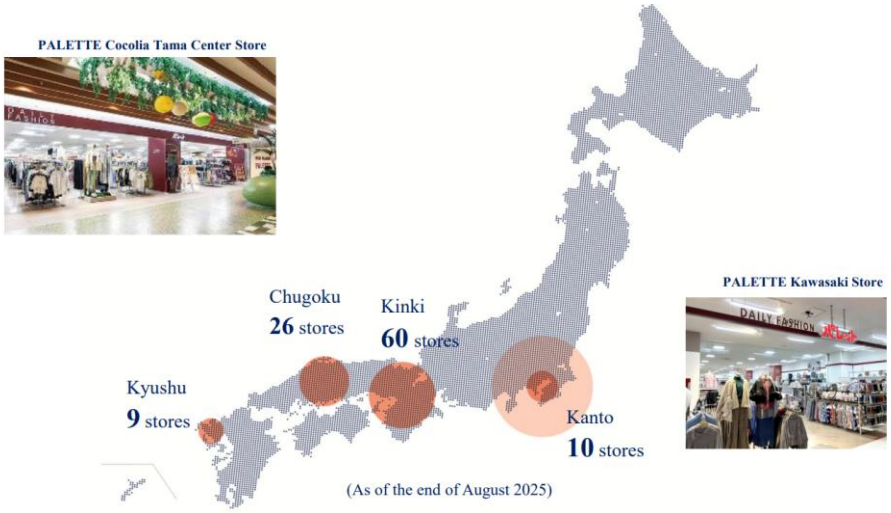
The company primarily sources from domestic suppliers who procure production from overseas.

- PALETTE store:



Source: Company website (https://www.palette-age.jp/)

- Store distribution:



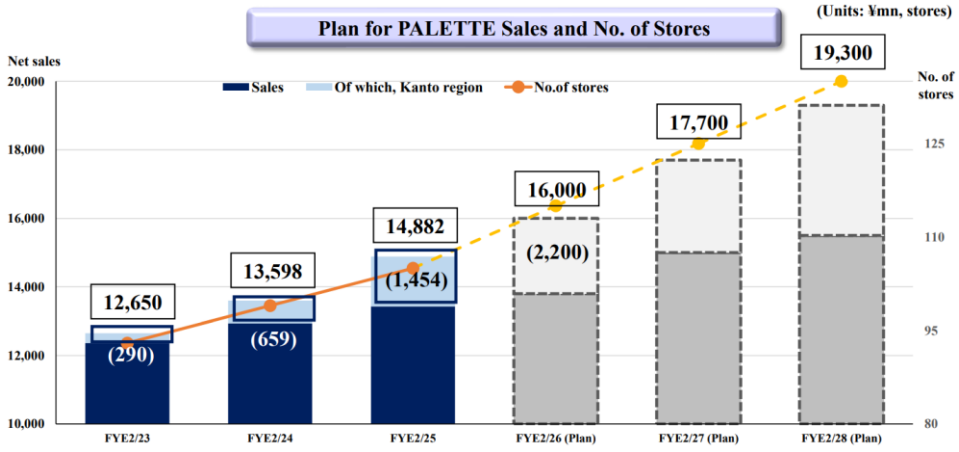
Source: Company

- PALETTE store expansion: As of FY 2/25, PALETTE operated 105 stores, with plans to open ~+10 new stores per year to reach a total of 135 by FY 2/28. The company has historically focused on the Kansai area but, whilst strengthening its dominant position there, it is now planning to accelerate openings in the Kanto region.

Amid changes in the economic environment & retail market, including the withdrawal from GMS clothing departments, the company is finding expansion opportunities.

With +10 new store openings per year, YONDOSHI Holdings expects PALETTE sales to reach ¥19.3bn by FY 2/28. Stores primarily located in GMS complexes, as well as roadside sites adjacent to, above, or within home centres & supermarkets.

- Store expansion forecast:



No. of stores	93	99	105	115	125	135
Of which, Kanto region	4	5	10	15	20	25

Source: Company

Leveraging economies of scale from a growing store base, the company plans to further strengthen its price competitiveness.

Longer term, YONDOSHI Holdings expects the Apparel segment to provide steady cash flow to complement growth in the jewellery & luxury resale businesses.

EARNINGS

In the 1H 2/26, YONDOSHI Holdings recorded its **4th consecutive sales increase & first OP growth in 2 years**, supported by the consolidation of RASIN, which significantly expanded scale & diversification. 1H consolidated sales increased +66.9%YoY to ¥32.5bn, OP +34.6%YoY to ¥1.1bn, & NP +16.3%YoY to ¥781m, marking a solid rebound despite OP falling -6.3% below plan due to the delayed *4°C* jewellery recovery.

1H Brand business sales were strong due to the addition of RASIN, where sales & OP finished above plan amid rising luxury demand boosted by favourable stock market conditions. RASIN strength offset weakness in the *4℃* jewellery business, whilst Apparel operations remained steady, achieving sales & OP growth in line with plan due to new store openings at daily fashion brand PALETTE, existing store growth, & stronger orders from major AS'TY Group clients.

The 1H consolidated GPM declined -14.5ppt to 33.1%, reflecting the inclusion of RASIN's lower-margin resale business. Conversely, 1H SG&A to sales declined -13.6ppt YoY to 29.7%, driven by RASIN's lower ratio despite goodwill amortisation of ¥624m from the establishment of the holding company & RASIN acquisition. As a result, the OPM decline was limited to -0.8ppt YoY to 3.5%. 1H OP increased due to sales growth, offsetting higher personnel costs & goodwill amortisation.

- FY 2/26 outlook: Over the last 10 years, ~60% of annual OP has been generated in the 2H, with the 4Q alone contributing ~42% due to Christmas seasonality. The company's FY 2/26 forecast of ¥2.8bn OP, following ¥1.1bn in the 1H, assumes a 59.9% contribution in the 2H, in line with this average.

In the 2H 2/26, YONDOSHI Holdings expects accelerating sales & OP growth at RASIN, supported by expanded inventory & a FY contribution from the Shinjuku store. The company

foresees ongoing merchandising (MD) reforms at the F.D.C. Products Group & new products for the Christmas season, supported by stronger holiday campaigns & digital marketing, to drive Christmas sales growth.

YONDOSHI Holdings expects ¥1.25bn FY 2/26 amortisation (versus ¥685m in FY 2/25) from the goodwill recognised at the time of establishing the holding company & the RASIN acquisition. Amortisation is likely to decline, with FY 2/27 projected at ~¥1bn, reflecting 6 months of amortisation for the integrated goodwill (to be fully amortised by Aug 2027) & 1 year from the RASIN M&A.

In addition, YONDOSHI Holdings aims to accelerate openings of âge's daily fashion brand PALETTE in Kanto & Kansai & strengthen AS'TY's overseas production base & its planning & proposal capabilities, including materials.

BRAND BUSINESS

(JPY Millions)	FY 2/25 Results	YoY	1Q 2/26 Results	YoY	1H 2/26 Results	YoY	FY 2/26 CoE	YoY
Sales	21,676	+27.5%	9,220	+162.6%	19,848	+176.9%	42,000	93.8%
OP	1,509	+5.8%	395	+58.8%	893	+133.5%	2,900	92.2%
OPM	7.0%	-1.4%	4.3%	-2.8%	4.5%	-0.8%	6.9%	-0.1%

The Brand business consists of the F.D.C. Products jewellery SPA & the newly acquired luxury secondhand watch reseller RASIN. 1H Brand business sales increased +176.9%YoY & OP +133.5%YoY, driven by the inclusion of RASIN, which offset *4℃* jewellery sales weakness.

The company forecasts a FY 2/26 RASIN contribution of ~¥28bn sales & ~¥1.8bn OP, as well as ~¥14bn sales -8.3%YoY & ~¥1.1bn OP flat YoY from F.D.C. Products.

- Jewellery (F.D.C Products) sales breakdown:

(JPY Millions)	FY 2/25	YoY	1H FY 2/26	YoY
4℃*	9,440	-10.8%	3,669	-19.2%
- *Fashion*	7,050	-4.8%	2,829	-13.6%
- *Bridal*	2,390	-24.7%	840	-33.5%
Canal 4℃	2,858	-8.6%	1,144	-13.9%
Other brands**	20	191.3%	19	425.1%
EC	2,339	-4.0%	907	-9.0%
Advance sales /Maintenance/Other	617	-27.0%	146	-50.7%
Total	**15,276**	**-10.1%**	**5,886**	**-17.9%**

** Includes EAU DOUCE 4℃*
*** cofl by 4℃, RUGIADA, KAKERA.*

F.D.C. Products Ltd.

1H F.D.C. Products sales declined -17.9%YoY as all core categories—Fashion, Bridal & Canal 4°C —fell YoY. The decline in Bridal was particularly steep, reflecting the deliberate downsizing of the segment amid changing social attitudes towards marriage.

In addition, a mid-Apr +15-20% price increase on selected items (averaging +10% across the portfolio) weighed on demand. Whilst 4°C has implemented periodic price hikes in recent years to offset rising material & operating costs, this round proved more disruptive. Unlike previous cycles, sales did not recover within the usual 1-2 months after the pre-hike demand surge. As a result, the company rolled back prices slightly in July, which helped stabilise trends & drive a modest recovery from Aug onwards.

- *F.D.C. Products comps:* 1H comps declined -11.6%, having fallen in all months of the 1H but with particular weakness in May-July (-13.8%, -17.8% & -18.8% respectively), recovering slightly to -3.4% in Aug. Sep remained weak at -10.1%, but partially recovered in Oct (-4.0%) & Nov (-2.1%), resulting in March-Nov comps of -9.6%.

1H customer numbers also decreased -14.1%YoY, with May-July averaging -17.9%YoY, but recovered slightly in Aug to -7.9%YoY, before falling -9.4%YoY in Sep. Customer numbers were -6.7%YoY in Oct & -5.0%YoY in Nov.

1H customer spend increased +2.9%YoY & was particularly strong in Apr at +8.6%YoY, ahead of price hikes, declining to -1.3%YoY by July. It recovered to +4.8%YoY in Aug but fell again in Sep to -0.8%YoY. Spend increased +2.9%YoY in Oct & +3.1%YoY in Nov.

By brand, 1H 4℃ Fashion jewellery customer numbers declined -5.5%YoY, but customer spend increased +7.0%YoY. 4℃ Bridal jewellery customer numbers declined -15.5%YoY & the average customer spend decreased -9.1%YoY. For Canal 4℃, store visitors declined -14.5%YoY, whilst customer spend increased +3.6%YoY.

- *Pricing:* In mid-Apr, 4°C raised prices +15-20% on several items, lifting the overall average by ~+10%. The hike pushed many popular gift products previously priced at ¥28,000-¥29,000 above the key ¥30,000 psychological threshold, placing them outside some customers' budgets.

Recognising the risk to critical Christmas gifting demand, the company reduced prices in July on roughly 45 Fashion items & 130 Canal 4°C products & has continued to make selective price adjustments on key lines through Autumn. 4°C also introduced a series of **new, lower-priced products between July & Nov to better target the gift market during the year-end peak period.**

- *E-commerce:* E-commerce accounted for 15.4% of 4°C 's 1H jewellery sales & was weak at ¥907m -9.0%YoY. The company aims to enhance both convenience & experiential value, positioning online platforms not only as a sales driver but also as a key point of discovery & research for customers who often complete their purchases in-store.

Through improved usability, SEO optimisation & stronger digital communication, 4°C seeks to enhance this online-offline synergy & capture a wider range of digitally engaged consumers. The company targets FY 2/26 e-commerce sales of ¥2.5bn +5.8%YoY.

- *Bridal:* 1H Bridal sales declined -33.5%YoY, reflecting both weak customer numbers & the continued restructuring of the sales network, as 4°C transitions from standalone bridal boutiques to dedicated bridal counters integrated within department store fashion jewellery sections.

In FY 2/26, the company targets ~¥15bn sales flat YoY & ~¥1.1bn OP +3.1%YoY, implying ¥9.1bn 2H sales +37.3%HoH, driven by the seasonally strong Christmas period.

The company plans to implement story-driven sales promotions & to strengthen digital marketing to ensure consistency with in-store presentations

RASIN Co., Ltd.

1H RASIN sales were above plan at ¥13.9bn driven by strong demand for second-hand luxury watches, successful expansion of inventory & the contribution from its new Shinjuku store, opened in Jan 2025.

1H existing store sales increased +7.4% versus the ~+5% FY forecast. Whilst Apr sales (-15.2%) & May (-7.0%) were impacted by global uncertainty surrounding US trade & tariff policy—temporarily depressing international Rolex prices—momentum recovered sharply thereafter, with Aug comps +52.0%, Sep +29.5%, Oct +17.5% & Nov +27.9%. **Growth was driven by robust domestic demand from wealthy males in their 40s-50s**, supported by rising equity prices & inbound sales boosted by the weaker yen.

The new Shinjuku store contributed ¥1.5bn in 1H sales, ~10% above the company plan. Inbound demand accounts for ~25% of total RASIN sales, with Europeans & Americans representing ~70% of that mix, primarily through eBay transactions. Buyers from China, Hong Kong, Taiwan & Korea make up the remainder.

Benefiting from YONDOSHI Holdings' strong balance sheet, RASIN expanded 1H inventory +¥1.2bn to ¥7.1bn, including ~¥700m for the new Shinjuku store.

Supported by healthy purchasing activity from affluent customers & fast inventory turnover, RASIN delivered strong sales & OP growth, underpinned by its premium positioning, agile pricing policy & ability to leverage YONDOSHI Holdings' financial base for inventory expansion.

In FY 2/26, the company targets ~¥27bn RASIN sales & ~¥1.8bn OP. It expects ~¥25bn in existing store sales & a ¥3bn contribution from the new Shinjuku store, with progress to date above plan.

APPAREL BUSINESS

(JPY Millions)	FY 2/25 Results	YoY	1Q 2/26 Results	YoY	1H 2/26 Results	YoY	FY 2/26 CoE	YoY
Sales	24,226	+7.9%	6,439	+4.2%	12,625	+2.7%	25,000	3.2%
OP	1,020	-2.4%	423	+4.1%	791	+12.3%	1,100	7.8%
OPM	4.2%	-0.4%	6.6%	0.0%	6.3%	0.5%	4.4%	0.2%

1H Apparel sales & OP were broadly in line with the company forecast.

- *âge Co., Ltd:* âge recorded 1H sales of ~¥7.6bn +2.5%YoY & OP of ~¥240m +7.6%YoY. Whilst slightly below plan, both sales & OP increased, supported by contributions from stores opened in the 2H 2/25. The company assumes FY sales of ¥16bn +8.6%YoY & OP of ¥400m +14%YoY.

1H comps increased +0.4% & have continued to perform steadily, reaching +1.5% in Sep & +5.2% in Oct. In Nov, warmer than usual weather in the latter half of the month weighed on winter merchandise, leading to a -0.7% decline. FY comps are likely to remain positive at +0.9%. 1H total store sales increased +3.0% & cumulative Mar-Nov sales increased +3.5%.

Daily fashion brand PALETTE achieved steady sales growth driven by existing store expansion, new store openings, & increased floor space. The company successfully captured late season demand by expanding its lineup of summer items in response to extreme heat conditions. As of the 1H, the company had 105 PALETTE stores.

Dec sales are seasonally stronger & management expects both 4Q sales & the OPM to increase.

- *AS'TY Co., Ltd.:* 1H sales & OP were above forecast, with ¥5bn sales +8.4%YoY & ¥500m OP +16.1%YoY, of which ¥110m was real estate related. OPM improvement was driven by scale expansion from greater transactions with key existing clients & new orders from recently acquired customers.

- *2H forecasts:* In FY 2/26, it projects sales & OP growth, with ¥700m OP +22%YoY, including ¥220m from real estate-related activities. Sales & OP are seasonally skewed to the 1H as AS'TYs strength lies in cut & sew products, which are popular in the 1H compared to jumpers & jackets in the 2H. AS'TY also plans to pay bonuses in the 2H due to strong earnings growth, which is likely to weigh on the OPM HoH.

The AS'TY Group also leveraged its overseas production base to expand orders from its main clients, resulting in both sales & OP growth. The company held a textile exhibition to strengthen its material proposal capabilities & is confident in its ability to secure orders for next FY.

AST'Y is also developing distinctive fabrics with strong cost advantages, enhanced functionality, & sustainability features, which it plans to actively promote through exhibitions. These initiatives are driving continued OEM & advance order expansion, supporting solid momentum into the next period.

SHAREHOLDER RETURNS

YONDOSHI Holdings' shareholder return policy focuses on stable dividends & flexible buybacks, aiming to balance investment for growth with strong capital discipline. **The company maintains a DOE of ≥4% as a core commitment to shareholders**, regardless of short-term earnings swings, & targets a medium-term dividend of ¥100 per share under its 2030 Vision.

Dividends remain the foundation of returns, with **share buybacks implemented flexibly to enhance total shareholder returns**.

Following the ¥10.5bn RASIN acquisition, the equity ratio fell from 76.2% to 58.5%, but this decline reflected a shift towards more efficient leverage. YONDOSHI Holdings aims to maintain financial flexibility for M&A, brand renewal & DX investment, whilst preserving capacity for future buybacks.

Proceeds from cross-shareholding reductions—such as the partial sale of Fuji Co. shares in FY 2/26—are being redeployed towards growth businesses & shareholder returns, supporting sustainable value creation & higher capital efficiency across the group.

COMPANY INFORMATION

Company Timeline	
May 1950	TOWA ORIMONO CO., LTD. established with paid-in capital of ¥2 million for the purpose of marketing textile products.
Feb. 1951	TOWA ORIMONO CO., LTD. is renamed TOWA CO., LTD.
Sep. 1967	FUJI CO., LTD. established as a subsidiary company
Apr. 1972	4°C brand established
Dec. 1972	Company shares publicly listed on the Hiroshima Stock Exchange
Apr. 1986	F.D.C. Products Inc. established as a subsidiary company
Sep. 1991	TOWA CO., LTD. is renamed AS'TY Inc.
Mar. 1996	âge Co., Ltd. established
Aug. 1997	AS'TY VIETNAM INC. established
Sep. 1998	AS'TY Inc.'s logistics department spun off and Alocs Inc. established
Mar. 2000	AS'TY Inc. shares publicly listed on the Second Section of the Tokyo Stock Exchange
Oct. 2000	F.D.C. Products Inc.'s shares publicly listed on the Second Section of the Tokyo Stock Exchange
Aug. 2004	F.D.C. Products Inc.'s shares publicly listed on the First Section of the Tokyo Stock Exchange
Aug. 2005	Yoshitake Corporation purchased (currently the ASCOT INC.)
Sep. 2006	AS'TY Inc. is renamed F&A Aqua Holdings, Inc. as a joint holding company for AS'TY Inc. and F.D.C. Products Inc. Shares designated for public trading on the First Section of the Tokyo Stock Exchange The new AS'TY Inc. established by way of company separation
Sep. 2008	F.D.C. Friends Inc. established
Jul. 2012	Heartful Aqua, inc. established
Sep. 2013	F&A Aqua Holdings, Inc. is renamed YONDOSHI HOLDINGS INC.
Dec. 2024	Made RASIN Co., Ltd. subsidiary

Company Contact Details

2-19-10 Kami-Osaki, Shinagawa-ku, Tokyo 141-0021
Website: https://yondoshi.co.jp/eng/
Phone: +81-3-5719-3429
IR Contact: https://yondoshi.co.jp/eng/contact-us

Major Shareholders	Stake (%)
The Master Trust Bank of Japan, Ltd. (Trust Account)	8.26
The Hiroshima Bank, Ltd.	4.94
Dai-ichi Life Insurance Company, Limited	4.08
4°C Holdings Group Mutual Aid Association	3.89
The Iyo Bank, Ltd.	3.41
Toshiko Ota	2.93
Custody Bank of Japan, Ltd. (Trust Account)	1.98
Tsuguo Oyama	1.85
Custody Bank of Japan, Ltd.	1.63
Sumitomo Mitsui Banking Corporation	1.62

Source: Company

(As of 31st Aug 2025)

Hidetoshi Masuda	President & Representative Director
Career History	
May 2003	Joined âge Co., Ltd. – Executive Managing Director
Mar 2015	Director and Senior Managing Executive Officer of the same company
Mar 2017	Executive Officer of the Company in charge of âge President and Representative Director of âge Co., Ltd.
Mar 2021	Senior Managing Executive Officer, Head of the President's Office of the Company Chairman and Representative Director of âge Co., Ltd. (current)
May 2021	President & COO, Representative Director of the Company Chairman and Representative Director of F.D.C. Friends Inc.
Mar 2022	President & Representative Director of the Company (current) Chairman and Representative Director of F.D.C. Products Co., Ltd.

Ichiro Okafuji	Representative Senior Managing Director & Senior Managing Executive Officer
Career History	
Apr 1987	Joined the Company
Mar 2008	President & Representative Director of Yoshitake Co., Ltd. (now ASCOT Inc.)
May 2011	President & Representative Director of Misuzu Co., Ltd.
Mar 2015	Executive Officer of the Company in charge of Misuzu
Mar 2016	President & Representative Director of Asty Co., Ltd.
Mar 2018	Director and Senior Executive Officer of F.D.C. Products Inc.
May 2018	Director & Executive Officer of the Company, Head in charge of F.D.C. Products Inc.
Mar 2019	Director & Senior Executive Officer of the Company, in charge of F.D.C. Products Inc. First Business Division Chairman & Representative Director of F.D.C. Friends Inc.
Mar 2020	Director & Senior Executive Officer of the Company, in charge of operations
Mar 2022	Executive Vice President & Senior Executive Officer of the Company, in charge of operations Executive Vice President & Senior Executive Officer of F.D.C. Products Inc., in charge of operations and sales promotion
Mar 2023	Executive Vice President & Senior Executive Officer of F.D.C. Products Inc.
Mar 2024	Executive Vice President & Representative Director of the Company (current) President & Representative Director of F.D.C. Products Inc. (current)

Masahiko Nishimura	Managing Director and Managing Executive Officer
Career History	
Apr 1985	Joined the Company
Mar 2005	General Manager of Finance Department, the Company
May 2008	Director of the Company
May 2015	Director & Executive Officer of the Company, in charge of Finance Director & Executive Officer of F.D.C. Products Inc.
May 2022	Senior Managing Director & Senior Managing Executive Officer of the Company, in charge of Finance Senior Managing Director & Senior Managing Executive Officer of F.D.C. Products Inc., in charge of Finance
Mar 2024	Senior Managing Director & Senior Managing Executive Officer of the Company, in charge of Operations
Dec 2024	Senior Managing Director & Senior Managing Executive Officer of Rashin Co., Ltd., in charge of Operations (current)
Mar 2025	Senior Managing Director & Senior Managing Executive Officer of the Company, in charge of Finance (current)

Hiroshi Arai	Director and Executive Officer
Career History	
Apr 1993	Joined the Company
Mar 2008	General Manager, Apparel Division I, AS'TY Inc.
Mar 2015	Executive Officer, General Manager of First Business Division, AS'TY Inc.
Mar 2018	Executive Officer, General Manager of Production Planning Division II, AS'TY Inc.
Mar 2019	Director & Executive Officer, General Manager of Production Planning Division II, AS'TY Inc.
Mar 2020	Director & Executive Officer, General Manager of Apparel Manufacturer Business Division, AS'TY Inc.

Mar 2020	President & Representative Director of ASCOT Inc.
Mar 2023	President & Representative Director of AS'TY Inc. (current)
Mar 2023	Executive Officer of the Company in charge of AS'TY
May 2024	Director & Executive Officer of the Company in charge of AS'TY (current)

Naoki Kodama	**Outside Director**
Career History	
Apr 1978	Joined IBM Japan, Ltd.
Apr 2002	Executive Vice President, JBCC Co., Ltd.
Aug 2007	Managing Director, Nitori Co., Ltd.
Oct 2012	Managing Director, Cainz Corporation
Jun 2017	Representative, M&S Consulting (current)
Jun 2021	Outside Director, Softcreate Holdings Corporation
May 2022	Outside Director (Audit and Supervisory Committee Member), the Company
May 2024	Director of the Company (current)

Masahiro Dakeshita	**Director and Audit & Supervisory Board Member**
Career History	
Apr 1985	Joined The Mitsui Bank, Ltd. (now Sumitomo Mitsui Banking Corporation)
Apr 2009	General Manager, Corporate Business Planning Department, SMBC Friend Securities Co., Ltd. (now SMBC Nikko Securities Inc.)
May 2012	General Manager, Tokyo Corporate Department, the same company.
Feb 2018	Joined the Company
Mar 2018	Executive Officer, Head of Corporate Planning Office, the Company
Mar 2019	Executive Officer in charge of Operations, the Company
Mar 2021	Executive Officer, Head of Audit Office, the Company
May 2021	Director (Audit and Supervisory Committee Member), the Company (current)
May 2021	Statutory Auditor, F.D.C. Products Inc. (current)
Dec 2024	Statutory Auditor, Rashin Co., Ltd. (current)

Nobuko Kitagawa	**Outside Director and Audit & Supervisory Board Member**
Career History	
Apr 1997	Registered as Attorney-at-Law
Apr 1997	Attorney, Asuka General Law Office (now Hayabusa Asuka Law Office)
Apr 2003	Staff Member (fixed-term), Financial Services Agency, Supervisory Bureau
Oct 2014	Legal Counsel, Japan Securities Dealers Association
Jun 2015	Outside Director, The Kochi Bank, Ltd.
Apr 2016	Attorney, Komatsu Sogo Law Office (now Kotohira Sogo Law Office)
May 2020	Director (Audit and Supervisory Committee Member), the Company (current)
Jan 2021	Attorney, Kitagawa Noriko Law Office
Apr 2022	Attorney, Shimada Mirai Law Office (current)

Hiroshi Kawazoe	**Outside Director and Audit & Supervisory Board Member**
Career History	
Apr 1978	Joined Tokyo Regional Taxation Bureau
Jul 2017	Deputy Director-General, First Taxation Department, Tokyo Regional Taxation Bureau
Jul 2018	Director, Kojimachi Tax Office
Aug 2019	Registered as Certified Tax Accountant (current)
Aug 2019	Tax Accountant, Hiroshi Kawazoe Certified Tax Accountant Office (current)
Nov 2022	Outside Auditor, Kanki Publishing Inc. (current)
May 2024	Director (Audit and Supervisory Committee Member), the Company (current)

STORM CORPORATE ALL ABOUT ENGAGEMENT

Income statement・連結損益計算書

	FY 2/21	FY 2/22	FY 2/23	FY 2/24	FY 2/25
Sales・売上高	39,449	38,123	39,508	39,457	45,902
Cost of Sales・売上原価	18,155	18,450	19,781	19,927	25,960
Gross Profit・売上総利益	21,294	19,672	19,727	19,530	19,942
Selling, General and Administrative Expenses・販売費及び一般管理費	18,527	17,884	17,748	17,433	17,982
Operating Profit・営業利益	2,767	1,788	1,979	2,096	1,960
Non-Operating Profit・営業外収益					
Interest income・受取利息	115	79	102	145	145
Dividend income・受取配当金	175	188	207	228	249
Foreign exchange gains・為替差益	5	32	13	15	12
Other・その他	50	65	40	32	28
Total Non-Operating Profit・営業外収益合計	455	529	366	421	436
Non-Operating Expenses・営業外費用					
Interest expenses・支払利息	2	0	1	1	33
Loss on disposal of inventory・棚卸資産処分損	n/a	3	n/a	n/a	n/a
Insurance cancellation loss・保険解約損	4	2	1	0	n/a
Depreciation expense of idle fixed assets・休止固定資産減価償却費	n/a	10	n/a	n/a	n/a
Other・その他	2	5	1	0	11
Total Non-Operating Expenses・営業外費用合計	27	23	3	2	45
Ordinary Profits・経常利益	3,195	2,293	2,342	2,515	2,351
Extraordinary Income・特別利益					
Gain on sale of investment securities・投資有価証券売却益	22	106	293	358	595
Gain on sale of fixed assets・固定資産売却益	n/a	13	n/a	n/a	n/a
Employment adjustment subsidy・雇用調整助成金	463	64	n/a	n/a	n/a
Foreign currency translation adjustment・為替換算調整	n/a	60	n/a	n/a	n/a
Total Extraordinary Income・特別利益合計	567	245	293	358	595
Extraordinary Losses・特別損失					
Impairment loss・減損損失	232	243	542	581	317
Loss on store closures・店舗閉鎖損失	27	n/a	26	62	33
Building demolition expenses・建物解体費用	n/a	n/a	9	n/a	177
Allowance for leave・休業手当	405	61	n/a	n/a	n/a
Loss on business restructuring・事業整理損	n/a	n/a	23	n/a	n/a
Loss on liquidation of subsidiaries・子会社整理損	6	n/a	33	n/a	n/a
Total extraordinary losses・特別損失合計	857	304	634	644	529
Profit Before Income Taxes・税金等調整前当期純利益	**2,905**	**2,234**	**2,000**	**2,229**	**2,418**
Income Taxes - Current・法人税、住民税及び事業税	1,182	825	946	775	921
Income Taxes - Deferred・法人税等調整額	100	△82	△95	152	118
Total Income Tax・法人税等合計	1,282	743	851	928	1,040
Profit・当期純利益	**1,622**	**1,490**	**1,149**	**1,300**	**1,377**
Profit attributable to owners of parent・親会社株主に帰属する当期純利益	1,622	1,490	1,149	1,300	1,377
Other Comprehensive Income・その他の包括利益					
Valuation difference on available-for-sale securities・その他有価証券評価差額金	721	3,702	△3,966	805	743
Deferred hedge gains (losses)・繰延ヘッジ損益	6	△0	△7	8	△29
Foreign currency translation adjustment・為替換算調整勘定	18	△73	1	△2	n/a
Retirement benefit adjustment・退職給付に係る調整額	△67	△6	△105	57	27
Total Other Comprehensive Income・その他の包括利益合計	607	3,622	△4,078	867	741

Comprehensive Income・包括利益	**2,230**	**5,112**	**△2,928**	**2,168**	**2,118**
Comprehensive Income Attributable to・内訳					
Comprehensive income attributable to owners of parent・親会社株主に係る包括利益	2,230	5,112	△2,928	2,168	2,118

(JPY Millions・百万円)

Balance sheet・連結貸借対照表

■Assets・資産の部	FY 2/21	FY 2/22	FY 2/23	FY 2/24	FY 2/25
Current assets・流動資産					
Cash and deposits・現金及び預金	3,232	2,900	1,804	1,579	1,708
Notes receivable - trade・受取手形	2,587	2,445	2,876	2,905	2,926
Merchandise and finished goods・商品及び製品	7,718	7,713	7,647	8,080	14,127
Goods in process・仕掛品	285	293	70	108	110
Raw materials and supplies・原材料及び貯蔵品	1,081	736	685	430	336
Prepaid expenses・前渡金	90	92	87	1	2
Accounts receivable・未収入金	397	488	267	579	466
Others・その他	226	232	265	261	268
Allowance for doubtful accounts・貸倒引当金	△3	△4	△5	△5	△7
Total current assets・流動資産合計	**15,616**	**14,899**	**13,699**	**13,941**	**19,939**
Non-current assets・固定資産					
Property, plant and equipment・有形固定資産					
Buildings & structures・建物及び構築物（純額）	4,982	4,630	4,265	4,027	4,045
Land・土地	5,492	5,839	5,839	5,839	5,839
Lease assets (net)・リース資産（純額）	28	18	34	22	14
Other, net・その他（純額）	510	411	399	427	368
Total property, plant and equipment・有形固定資産合計	11,013	10,899	10,538	10,316	10,267
Intangible assets・無形固定資産					
Goodwill・のれん	2,730	2,234	1,737	1,241	8,553
Lease assets・リース資産	75	35	2	0	n/a
Trademark rights・商標権	1	1	0	0	0
Customer-related assets・顧客関連資産	n/a	n/a	n/a	n/a	1,107
Technology-related assets・技術関連資産	n/a	n/a	n/a	n/a	439
Other・その他	124	252	366	482	466
Total intangible assets・無形固定資産合計	2,932	2,523	2,107	1,724	10,567
Investments and other assets・投資その他の資産					
Investment securities・投資有価証券	18,489	24,037	19,408	20,530	21,475
Long-term loans receivable・長期貸付金	2	1	1	2	1
Deferred tax assets・繰延税金資産	1,618	1,673	1,735	1,518	1,438
Investment property・投資不動産	436	431	n/a	n/a	n/a
Retirement benefit-related assets・退職給付に係る資産	487	492	349	443	449
Security deposits・敷金	1,764	1,796	1,810	1,579	1,611
Claims in bankruptcy and reorganization・破産更生債権等	27	24	21	20	20
Other・その他	417	342	342	384	424
Allowance for doubtful accounts・貸倒引当金	△55	△51	△47	△47	△47
Total investment and other assets・投資その他の資産合計	23,438	28,562	23,866	24,660	25,719
Total non-current assets・固定資産合計	**37,383**	**41,985**	**36,512**	**36,701**	**46,555**

STORM CORPORATE ALL ABOUT ENGAGEMENT

Total assets・資産合計	**53,000**	**56,884**	**50,211**	**50,643**	**66,494**

(JPY Millions・百万円)

■Liabilities・負債の部	FY 2/21	FY 2/22	FY 2/23	FY 2/24	FY 2/25
Current liabilities・流動負債					
Notes payable and accounts payable・支払手形及び買掛金	3,148	2,181	2,089	2,369	1,957
Electronically recorded liabilities・電子記録債務	n/a	738	692	699	340
Short-term loans payable・短期借入金	n/a	n/a	n/a	n/a	4,900
Current portion of long-term borrowings・１年内返済予定の長期借入金	n/a	n/a	n/a	n/a	2,000
Lease liabilities・リース債務	54	46	15	9	6
Income taxes payable・未払法人税等	643	353	531	252	748
Bonus reserve・賞与引当金	269	196	240	271	226
Executive bonus reserve・役員賞与引当金	25	10	33	48	11
Loyalty program reserve・ポイント引当金	n/a	n/a	n/a	n/a	50
Asset retirement obligations・資産除去債務	n/a	n/a	208	86	93
Other・その他	2,661	1,920	2,061	1,869	1,969
Total current liabilities・流動負債合計	6,802	5,447	5,872	5,605	12,305
Non-current liabilities・固定負債					
Long-term borrowings・長期借入金	n/a	n/a	n/a	n/a	8,000
Lease liabilities・リース債務	58	12	24	15	9
Long-term deposits received・長期預り保証金	328	312	453	489	482
Deferred tax liabilities・繰延税金負債	3,861	5,791	3,596	3,981	4,779
Retirement benefit obligations・退職給付に係る負債	497	514	501	494	437
Provision for executive stock-based compensation・役員株式給付引当金	123	146	184	243	282
Asset removal obligations・資産除去債務	1,428	1,400	1,130	979	913
Other・その他	356	341	234	237	348
Total non-current liabilities・固定負債合計	**6,654**	**8,519**	**6,124**	**6,441**	**15,253**
Total liabilities・負債合計	**13,457**	**13,966**	**11,996**	**12,047**	**27,559**

(JPY Millions・百万円)

■Net assets・純資産の部	FY 2/21	FY 2/22	FY 2/23	FY 2/24	FY 2/25
Shareholders' equity・株主資本					
Share capital・資本金	2,486	2,486	2,486	2,486	2,486
Capital surplus・資本剰余金	7,208	7,196	7,189	7,178	7,170
Retained earnings・利益剰余金	31,978	31,707	31,056	30,567	30,153
Treasury shares・自己株式	△6,215	△6,175	△6,148	△6,123	△6,104
Total shareholders' equity・株主資本合計	**35,458**	**35,215**	**34,584**	**34,109**	**33,706**
Accumulated other comprehensive income・その他の包括利益累計額					
Valuation difference on available-for-sale securities・その他有価証券評価差額金	4,315	8,018	4,052	4,857	5,601
Deferred hedge income (losses)繰延ヘッジ損益	8	8	0	8	△20
Land revaluation surplus・土地再評価差額金	△233	△233	△233	△233	△233
Foreign currency translation adjustments・換算調整	75	1	2	n/a	n/a
Cumulative retirement benefit adjustments・退職給付に係る調整累計額	△110	△117	△222	△165	△138
Total accumulated other comprehensive income・その他の包括利益累計額合計	**4,055**	**7,677**	**3,599**	**4,467**	**5,208**
Stock acquisition rights・新株予約権	29	24	30	18	20

Total net assets・純資産合計	**39,543**	**42,917**	**38,214**	**38,596**	**38,935**
Total liabilities and net assets・負債純資産合計	**53,000**	**56,884**	**50,211**	**50,643**	**66,494**

(JPY Millions・百万円)

Cash flow statement・連結キャッシュ・フロー計算書

■Operating CF	FY 2/21	FY 2/22	FY 2/23	FY 2/24	FY 2/25
Cash flows from operating activities・営業活動によるキャッシュ・フロー					
Profit before income taxes・税金等調整前当期純利益	2,905	2,234	2,000	2,229	2,418
Depreciation・減価償却費	1,026	831	770	695	739
Impairment loss・減損損失	232	243	542	581	317
Amortization of goodwill・のれん償却費	496	496	496	496	620
Increase (decrease) in allowance for doubtful accounts・貸倒引当金の増減額（△は減少）	4	△4	△2	0	△1
Change in provision for bonuses (△ indicates decrease)・賞与引当金の増減額（△は減少）	41	△72	43	30	△118
Allowance for leave・休業手当	405	61	n/a	n/a	n/a
Employment adjustment subsidy・雇用調整助成金	△463	△64	n/a	n/a	n/a
Loss on business restructuring・事業整理損	n/a	n/a	23	n/a	n/a
Subsidy income・助成金収入	△35	△162	△1	n/a	n/a
Change in retirement benefit obligations (△ indicates decrease)・退職給付に係る負債の増減額（△は減少）	△12	2	△32	△12	△22
Change in other provisions (△ indicates decrease)・その他の引当金の増減額（△は減少）	44	8	60	73	1
Interest and dividends received・受取利息及び受取配当金	△291	△268	△310	△373	△395
Interest paid・支払利息	2	0	1	1	33
Foreign exchange gains/losses (△ indicates gain)・為替差損益（△は益）	4	△15	0	△0	△0
Gains/losses on sales of investment securities (△ indicates gain)・投資有価証券売却損益（△は益）	△22	△106	△293	△358	△595
Change in accounts receivable (△ indicates increase)・売上債権の増減額（△は増加）	384	145	△427	△29	399
Change in inventories (△ indicates increase)・棚卸資産の増減額（△は増加）	1,001	339	340	△218	42
Change in accounts payable (△ indicates decrease)・仕入債務の増減額（△は減少）	△752	△228	△137	289	△781
Change in accrued consumption taxes, etc. (△ indicates decrease)・未払消費税等の増減額（△は減少）	338	△508	100	△85	7
Change in advances received (△ indicates decrease)・前受金の増減額（△は減少）	△322	△81	△101	△187	△9
Change in accrued expenses / other payables (△ indicates decrease)・未払金の増減額（△は減少）	△341	2	70	126	△98
Change in other assets (△ indicates increase)・その他の資産の増減額（△は増加）	270	54	△74	279	356
Change in other liabilities (△ indicates decrease)・その他の負債の増減額（△は減少）	△45	△190	157	△7	30
Subtotal・小計	4,884	2,647	3,226	3,530	2,943
Interest and dividend received・利息及び配当金の受取額	283	275	310	377	403
Amount received from employment adjustment subsidy・雇用調整助成金の受取額	463	64	n/a	n/a	n/a
Interest paid・利息の支払額	△2	△0	△1	△1	△35
Amount paid for compensation for temporary leave・休業手当の支払額	△405	△61	n/a	n/a	n/a
Income taxes paid・法人税等の支払額	△1,334	△1,602	△782	△1,365	△607
Income taxes refund・法人税等の還付額	2,709	386	347	125	318
Net cash provided by (used in) operating activities・営業活動によるキャッシュ・フロー	**6,633**	**1,871**	**3,103**	**2,666**	**3,023**

(JPY Millions・百万円)

■Investing CF	FY 2/21	FY 2/22	FY 2/23	FY 2/24	FY 2/25
Cash flows from investing activities・投資活動によるキャッシュ・フロー					
Expenditure due to withdrawal from time deposits・定期預金の預入による支出	△500	n/a	n/a	n/a	n/a
Income due to withdrawal from time deposits・定期預金の払戻による収入	n/a	500	n/a	n/a	n/a
Purchase of property, plant and equipment・有形固定資産の取得による支出	△656	△436	△842	△875	△759
Proceeds from property, plant and equipment・有形固定資産の売却による収入	0	27	2	n/a	n/a
Expenditure for acquisition of intangible fixed assets・無形固定資産の取得による支出	△64	△162	△176	△208	△56
Purchase of investment securities・投資有価証券の取得による支出	△1,009	△2,532	△2,007	△1,527	△1,016
Proceeds from sales of investment securities・投資有価証券の売却による収入	88	249	864	475	1,789
Proceeds from redemption of investment securities・投資有価証券の償還による収入	n/a	2,500	n/a	1,500	n/a
Payments for acquisition of subsidiary shares involving changes in the scope of consolidation・連結の範囲の変更を伴う子会社株式の取得による支出	n/a	n/a	n/a	n/a	△10,202
Collection of long-term loans receivable・長期貸付金の回収による収入	1	0	0	0	0
Disbursement for long-term loans・長期貸付けによる支出	△0	n/a	n/a	△1	△0
Payments for acquisition of long-term prepaid expenses・長期前払費用の取得による支出	△18	△20	△18	△54	△57
Other payments・その他の支出	△164	△121	△311	△547	△427
Other income・その他の収入	154	101	118	134	193
Net cash provided by (used in) investing activities・投資活動によるキャッシュ・フロー	**△2,169**	**106**	**△2,371**	**△1,103**	**△10,536**

(JPY Millions・百万円)

■Financing CF	FY 2/21	FY 2/22	FY 2/23	FY 2/24	FY 2/25
Cash flows from financing activities・財務活動によるキャッシュ・フロー					
Net change in short-term borrowings (△ indicates decrease)・短期借入金の純増減額（△は減少）	n/a	n/a	n/a	n/a	750
Proceeds from long-term borrowings・長期借入れによる収入	n/a	n/a	n/a	n/a	10,000
Repayments of long-term borrowings・長期借入金の返済による支出	△82	n/a	n/a	n/a	△1,312
Payments for acquisition of treasury stock・自己株式の取得による支出	△624	△0	△0	△0	△0
Proceeds from sale of treasury stock・自己株式の売却による収入	14	0	n/a	12	11
Dividends paid・配当金の支払額	△1,752	△1,761	△1,786	△1,789	△1,791
Other payments・その他の支出	△69	△54	△47	△15	△8
Net cash provided by (used in) financing activities・財務活動によるキャッシュ・フロー	**△2,515**	**△1,816**	**△1,834**	**△1,791**	**7,648**
Effect of exchange rate change on cash and cash equivalents・現金及び現金同等物に係る換算差額	△1	5	1	0	n/a
Net increase (△decrease) in cash and cash equivalents・現金及び現金同等物の増減額（△は減少）	1,946	167	△1,100	△228	134
Cash and cash equivalents at beginning of period・現金及び現金同等物の期首残高	785	2,732	2,900	1,799	1,570
Cash and cash equivalents at end of period・現金及び現金同等物の期末残高	**2,732**	**2,900**	**1,799**	**1,570**	**1,705**

(JPY Millions・百万円)

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