

YONDOSHI HOLDINGS INC.

July 11, 2024

(Securities Code: 8008, Prime Market, Tokyo Stock Exchange)

Summary of the Consolidated Financial Report for the First Quarter of Fiscal 2024 (Ending February 28, 2025)

- Revenue increased for a fourth consecutive period. Earnings at all levels was mainly in line with plan, with profit attributable to owners of parent increasing for a fourth consecutive period on sale of Company-held securities.
- **Brand Business (formerly Jewelry Business):** Process underway to strengthen foundations through revision of product and sales promotion strategies aimed at expanding support among female customers.
- **Apparel Business:** Expanded sales at the everyday fashion brand PALETTE on new store openings, and increased revenue at The AS'TY Group from strengthening of measures with major business partners.
- **In line with the shareholder return policy of providing stable and continuous dividends (DOE of 4% or higher), and improving the total return ratio through share buybacks, the Company plans to pay an annual dividend of 83 yen per share.**

YONDOSHI HOLDINGS INC. (“YONDOSHI HOLDINGS” or “the Company”; Headquarters: Shinagawa-ku, Tokyo; President and Representative Director: Hidetoshi Masuda) today announced its business results for the first quarter period of fiscal 2024 (March 1, 2024, to May 31, 2024), the fiscal year ending February 28, 2025. A summary is as follows.

1. Consolidated Business Results

(Millions of yen, %)

	FY2/24 1Q	FY2/25 1Q	YoY
Net Sales	9,585	9,693	+1.1%
Operating Income	727	524	(25.5) %
Ordinary Income	850	655	(22.9) %
Profit Attributable to Owners of Parent	502	525	+4.6%

1. Net income per share: ¥24.52 (¥23.45 in the previous fiscal year)
2. Average number of issued shares (consolidated basis): 21,453,450 shares
3. Operating income before amortization of goodwill: ¥666 million (¥852 million in the previous fiscal year).

In the retail sector, sales of high-ticket items were firm, and demand from inbound tourism continued to rise. However, wage increases have not kept pace with rising prices, and with real wages on a downward trend, consumers continue to focus on cost savings and lower prices, leading to greater market polarization. Under such circumstances, YONDOSHI HOLDINGS Group implemented priority issues in each of its business segments, with the aim of enhancing corporate value.

As a result, net sales for the subject first quarter period amounted to ¥9,693 million (up 1.1% from the same period of the previous fiscal year), with operating income of ¥542 million (down 25.5%), ordinary income of ¥655 million (down 22.9%) and profit attributable to owners of parent to ¥525 million (up 4.6%).

Brand Business

Net Sales: ¥3,511 million (down 10.2% YoY)
 Operating Income: ¥249 million (down 34.8% YoY)

The F.D.C. Products Group, which handles the Brand Business, is working to strengthen its foundation by revising product and sales promotion strategies to expand support among female customers. With the aim of rebuilding the portfolio by taste, F.D.C. Products Group increased the number of directors, and began product planning under a new structure.

Apparel Business

Net Sales: ¥6,182 million (up 8.9% YoY)
 Operating Income: ¥406 million (down 9.9% YoY)

Retailer age Co., Ltd., operator of the everyday fashion brand PALETTE, was impacted by low temperatures in early spring and other types of unseasonable weather in certain areas, but overall sales increased on new store openings. Apparel manufacturing and wholesaler The AS'TY Group, drawing on its strength in overseas production bases, expanded measures with major business partners, leading to positive performance in both revenue and earnings.

2. Results Forecasts for Second Quarter Cumulative and Full Year Periods of Fiscal 2024 (FY2/25)

Second Quarter Cumulative

(Millions of yen, %)

	FY2/24 2Q Cumulative (Actual)	FY2/25 2Q Cumulative (Forecast)	YoY
Net Sales	19,110	20,000	+4.7%
Operating Income	1,069	1,000	(6.5) %
Ordinary Income	1,284	1,200	(6.6) %
Profit Attributable to Owners of Parent	696	750	+7.7%

1. Forecast net income per share for the FY2/25 2Q cumulative period: 34.96 yen

2. Average number of issued shares (consolidated basis): 21,453,450 shares

Full Year

(Millions of yen, %)

	FY2/24 (Actual)	FY2/25 (Forecast)	YoY
Net Sales	39,457	41,000	+3.9%
Operating Income	2,096	2,350	+12.1%
Ordinary Income	2,515	2,800	+11.3%
Profit Attributable to Owners of Parent	1,300	1,600	+23.0%

1. Forecast net income per share for FY2/25: 74.58 yen

2. Average number of issued shares (consolidated basis): 21,453,450 shares

3. Earnings per share (EPS) before goodwill amortization: 97.72 yen

3. Cash Dividends for Fiscal 2024 (FY2/25)

(Yen)

Annual Cash Dividend					
	1Q-End	2Q-End	3Q-End	Period-End	Total
FY2/24 (Actual)	—	41.50	—	41.50	83.00
FY2/25 (Forecast)	—	41.50	—	41.50	83.00

YONDOSHI HOLDINGS Group recognizes that providing returns to shareholders is an important management issue, and enhances shareholder returns by providing a stable and continuous cash dividend payment, along with flexible share buybacks. The Company has also set a target DOE of 4% or higher as a key indicator of shareholder returns, and aims to reach a dividend payout of 100 yen per share in the future.

In accordance with this policy, for the fiscal year ending February 28, 2025, YONDOSHI HOLDINGS plans to pay an interim and year-end cash dividend of 41.50 yen per share, for an annual cash dividend of 83 yen per share.

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Company Name: YONDOSHI HOLDINGS Inc.
Head Office: 2-19-10 Kami-Osaki, Shinagawa-ku, Tokyo
Established: May 1950
Paid-in Capital: ¥2,486.52 million
Business Activities: Brand business centered on “4°C” jewelry; Apparel business comprising OEM and ODM, and operation of the everyday fashion brand PALETTE.
URL: <https://yondoshi.co.jp/eng/>

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