

**CONSOLIDATED FINANCIAL REPORT (Japanese GAAP)**  
**FIRST QUARTER OF THE FISCAL YEAR ENDING**  
**FEBRUARY 28, 2025**  
**(March 1, 2024 to May 31, 2024)**

July 11, 2024

YONDOSHI HOLDINGS INC. is listed on the Prime Market of the Tokyo Stock Exchange under the securities code number 8008.

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Supplemental materials prepared for quarterly financial results: No

Holding of quarterly financial results meeting: No

Dividend payment commencement date (planned): —

(Millions of yen rounded down)

**1. Consolidated Operating Results for the First Quarter of Fiscal 2024**  
**(March 1, 2024 to May 31, 2024)**

(1) Consolidated Operating Results (Cumulative)

(Percentage figures are the increase / (decrease) for the corresponding period of the previous fiscal year.)

	Net sales		Operating Income		Ordinary Income		Profit attributable to owners of parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
1Q FY2024	9,693	1.1	542	(25.5)	655	(22.9)	525	4.6
1Q FY2023	9,585	2.8	727	87.3	850	73.5	502	25.2

Note: Comprehensive income 1Q FY2024: 744 million yen (53.2%) 1Q FY2023: 485 million yen (—%)

	Net Income per Share	Net Income per Share after Dilution
	Yen	Yen
1Q FY2024	24.52	—
1Q FY2023	23.45	—

(Reference) Operating income before the amortization of goodwill:

1Q FY 2024: ¥666 million 1Q FY 2023: ¥852 million

The Company considers operating income before the amortization of goodwill to be an important management indicator.

(2) Consolidated Financial Position

	Total Assets	Net Assets	Net Assets to Total Assets	Net Assets per Share
	Millions of yen	Millions of yen	%	Yen
May 31, 2024	51,734	38,459	74.3	1,791.47
February 29, 2024	50,643	38,596	76.2	1,798.49

(Reference) Shareholders' equity: May 31, 2024: 38,438 million yen February 29, 2024: 38,577 million yen

**2. Dividends**

(Record Date)	Dividends per Share				
	End of 1Q	End of 2Q	End of 3Q	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Fiscal 2023	—	41.50	—	41.50	83.00
Fiscal 2024	—				
Fiscal 2024 (Forecast)		41.50	—	41.50	83.00

Note: Revision to the most recently announced cash dividend forecast: No

### 3. Forecasts of Consolidated Operating Results for the Fiscal Year Ending February 28, 2025 (March 1, 2024 to February 28, 2025)

(Percentages represent percentage changes as compared with the corresponding period in the previous fiscal year)

	Net Sales		Operating Income		Ordinary Income		Profit attributable to owners of parent		Net Income per Share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Interim period	20,000	4.7	1,000	(6.5)	1,200	(6.6)	750	7.7	34.96
Fiscal year ending February 28, 2025	41,000	3.9	2,350	12.1	2,800	11.3	1,600	23.0	74.58

Note: Revision to the most recently announced operating results forecast: No  
(Reference) EPS before the amortization of goodwill is ¥97.72.

#### Notes

- (1) Changes in Important Subsidiaries during the Period:  
(Changes in specified subsidiaries that caused changes in the scope of consolidation): No
- (2) Application of Special Accounting Practices in the Preparation of the Quarterly Consolidated Financial Statements: Yes
- (3) Changes in Accounting Policies, Changes in Accounting Estimates, and Restatements
  - 1) Changes of accounting principles in line with revisions to accounting and other standards: No
  - 2) Changes of accounting principles other than 1) above: No
  - 3) Changes in accounting estimates: No
  - 4) Retrospective restatement: No
- (4) Number of Shares Issued and Outstanding (Common Stock)
  1. Total number of shares issued and outstanding (including treasury stock) as of the period-end:  
May 31, 2024: 24,331,356 shares      Feb. 29, 2024: 24,331,356 shares
  2. Total number of treasury stock as of the period-end:  
May 31, 2024: 2,874,856 shares      Feb. 28, 2024: 2,881,696 shares
  3. Average number of shares for the period (Cumulative total for the quarterly consolidated period)  
First quarter fiscal 2024: 21,453,450 shares      First quarter fiscal 2023: 21,443,216 shares

Note: The number of recorded treasury stock includes 125,329 of the Company's shares held by the Shares Grant Trust for Officers as of the end of the first quarter of the subject consolidated fiscal year.

\* These quarterly consolidated financial results are not subject to auditing by certified public accountants or audit firms.

\* Explanation concerning the Proper Use of Operating Results Forecasts and Other Relevant Specific Items  
Results forecasts are prepared based on information available at the time of disclosure of this document. Actual results may vary from forecast figures for a variety of reasons. For the assumptions that underpin operating results forecasts as well as cautionary notes on the use of operating results forecasts, please refer to "1. Qualitative Information on Business and Financial Results (3) Explanation of Consolidated Results Forecasts and Other Future Predictions" on page 5.

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## 1. Qualitative Information on Business and Financial Results

### (1) Explanation of Business Results

During the first quarter period (March 1, 2024, to May 31, 2024) of fiscal 2024 (ending February 2025), the Japanese economy showed signs of a modest recovery, with improvement in corporate earnings, as well as conditions for employment and income. Nevertheless, the outlook for the future remained uncertain over concerns about rising prices due to higher raw material costs and the depreciation of the yen, and growing geopolitical risks.

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, during the fiscal year ending February 2025, the initial year of the 7th Medium-Term Management Plan, YONDOSHI HOLDINGS Group, with a basis on responding to the business environment, is focusing on value provided to customers, and implementing various measures to establish a foundation for dynamic future growth. In addition, the Company practiced sustainable management to establish a highly trusted corporate group, and worked to enhance enterprise value by strengthening internal controls, providing shareholder returns, and making medium- to long-term investments linked to earnings growth.

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), for a fourth consecutive quarter of revenue gains. Earnings at all levels was mostly in line with plan, with operating income of ¥542 million (down 25.5%), and ordinary income of ¥655 million (down 22.9%). Profit attributable to owners amounted to ¥525 million (up 4.6%), rising for a fourth consecutive quarter mainly from an extraordinary gain of ¥340 million on sale of Company-held available-for-sale securities. Operating income before the amortization of goodwill, which the Company considers to be an important management indicator, amounted to ¥666 million (down 21.7%).

Operating results by business segment were as follows. Of note, the Jewelry Business segment has been renamed the Brand Business, with a view to expansion into new business domains.

#### *Brand Business*

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.

In terms of store openings and closings, two stores were closed, for a total of 136 stores at the end of the subject period.

As a result, net sales in the Brand Business segment amounted to ¥3,511 million (down 10.2% from the same period of the previous fiscal year), with operating income of ¥249 million (down 34.8%). While this represented a decrease in both revenue and earnings, the results were mostly in line with plan.

#### *Apparel Business*

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. In terms of store openings and closings, four stores were opened, and one store renovated, for a total of 103 stores at the end of the subject period.

Apparel manufacturing and wholesaler The AS'TY Group expanded measures with major business partners, leading to positive performance in both revenue and earnings.

As a result, net sales in the Apparel Business segment amounted to ¥6,182 million (up 8.9% from the same period of the previous fiscal year), with operating income of ¥406 million (down 9.9%). While this represented a revenue gain with earnings decline, the results were mostly in line with plan.

### (2) Explanation of Financial Condition

Total assets at the end of the subject first quarter period (May 31, 2024) amounted to ¥51,734 million, an increase of ¥1,090 million from the end of the previous fiscal year (February 29, 2024). This was due mainly to increases of ¥212 million in investment securities, and ¥527 million in merchandise and finished goods. Total liabilities amounted to ¥13,275 million, an increase of ¥1,227 million from the end of the previous fiscal year, due mainly to an increase of ¥850 million in short-term borrowings. Total net assets

at the end of the subject period amounted to ¥38,459 million, a decrease of ¥136 million from the end of the previous fiscal year.

**(3) Explanation of Consolidated Results Forecasts and Other Future Predictions**

Consolidated results forecasts for fiscal 2024 are unchanged from those announced on April 12, 2024.

## 2. Consolidated Quarterly Financial Statements

### (1) Consolidated Quarterly Balance Sheets

(Millions of yen)

	End of the Fiscal Year Ended February 29, 2024 (As of February 29, 2024)	End of the First Quarter of the Fiscal Year Ending February 28, 2025 (As of May 31, 2024)
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and deposits	1,579	1,955
Notes and accounts receivable — trade	2,905	3,152
Merchandise and finished goods	8,080	8,608
Work in process	108	148
Raw materials and supplies	430	195
Other current assets	842	931
Allowance for doubtful accounts	(5)	(6)
Total current assets	13,941	14,984
<b>Noncurrent assets:</b>		
Property, plant and equipment:		
Buildings and structures, net	4,027	4,011
Land	5,839	5,839
Other, net	449	423
Total property, plant and equipment	10,316	10,274
Intangible assets:		
Goodwill	1,241	1,117
Other intangible assets	483	468
Total intangible assets	1,724	1,585
Investments and other assets:		
Investment securities	20,530	20,743
Net defined benefit asset	443	451
Other	3,733	3,741
Allowance for doubtful accounts	(47)	(47)
Total investments and other assets	24,660	24,889
Total noncurrent assets	36,701	36,749
<b>Total assets</b>	<b>50,643</b>	<b>51,734</b>

(Millions of yen)

	End of the Fiscal Year Ended February 29, 2024 (As of February 29, 2024)	End of the First Quarter of the Fiscal Year Ending February 28, 2025 (As of May 31, 2024)
<b>LIABILITIES</b>		
<b>Current liabilities:</b>		
Notes and accounts payable — trade	2,369	3,021
Electronically recorded obligations – operating	699	538
Short-term borrowings	—	850
Income taxes payable	252	368
Provision for bonuses	271	222
Provision for directors' bonuses	48	15
Asset retirement obligations	86	12
Other	1,878	1,757
<b>Total current liabilities</b>	<b>5,605</b>	<b>6,785</b>
<b>Noncurrent liabilities:</b>		
Provision for share-based remuneration for directors (and other officers)	243	244
Retirement benefit liability	494	480
Asset retirement obligations	979	972
Other	4,724	4,791
<b>Total noncurrent liabilities</b>	<b>6,441</b>	<b>6,489</b>
<b>Total liabilities</b>	<b>12,047</b>	<b>13,275</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity:</b>		
Capital stock	2,486	2,486
Capital surplus	7,178	7,178
Retained earnings	30,567	30,198
Treasury stock	(6,123)	(6,110)
<b>Total shareholders' equity</b>	<b>34,109</b>	<b>33,753</b>
<b>Other accumulated comprehensive income:</b>		
Valuation difference on available-for-sale securities	4,857	5,066
Deferred gains or losses on hedges	8	12
Revaluation reserve for land	(233)	(233)
Remeasurements of defined benefit plans	(165)	(160)
<b>Total other accumulated comprehensive income</b>	<b>4,467</b>	<b>4,685</b>
<b>Subscription rights to shares</b>	<b>18</b>	<b>20</b>
<b>Total net assets</b>	<b>38,596</b>	<b>38,459</b>
<b>Total liabilities and net assets</b>	<b>50,643</b>	<b>51,734</b>

**(2) Consolidated Quarterly Statements of Income and Consolidated Quarterly Statements of Comprehensive Income**  
**Consolidated Quarterly Statements of Income**  
**First Quarter Cumulative**

(Millions of yen)

	First Quarter of the Fiscal Year Ended February 29, 2024 (March 1, 2023 to May 31, 2023)	First Quarter of the Fiscal Year Ending February 28, 2025 (March 1, 2024 to May 31, 2024)
<b>Net sales</b>	9,585	9,693
<b>Cost of Sales</b>	4,772	5,028
<b>Gross profit</b>	4,813	4,665
<b>Selling, general and administrative expenses</b>	4,085	4,122
<b>Operating income</b>	727	542
<b>Non-operating income</b>		
Interest income	34	35
Dividends received	69	66
Foreign exchange gains	5	4
Other	15	7
Total non-operating income	123	113
<b>Non-operating expenses</b>		
Interest expenses	0	0
Loss on insurance cancellation	0	—
Other	0	0
Total non-operating expenses	1	0
<b>Ordinary income</b>	850	655
<b>Extraordinary income</b>		
Gain on sales of investment securities	—	340
Total extraordinary income	—	340
<b>Extraordinary loss</b>		
Impairment loss	9	32
Loss on closing of stores	1	4
Building demolition expenses	—	100
Total extraordinary losses	10	137
<b>Net income before income taxes</b>	840	858
Total income taxes	337	332
Net income	502	525
<b>Profit attributable to owners of parent</b>	502	525



**Consolidated Quarterly Statements of Comprehensive Income**  
**First Quarter Cumulative**

(Millions of yen)

	First Quarter of the Fiscal Year Ended February 29, 2024 (March 1, 2023 to May 31, 2023)	First Quarter of the Fiscal Year Ending February 28, 2025 (March 1, 2024 to May 31, 2024)
Income before minority interests	502	525
Other comprehensive income		
Other valuation difference on available-for-sale securities	(51)	209
Deferred gains or losses on hedges	33	3
Foreign currency translation adjustments	(2)	—
Remeasurements of defined benefit plans, net of tax	4	5
Total other comprehensive income	(16)	218
<b>Comprehensive income</b>	485	744
Comprehensive income attributable to		
Comprehensive income attributable to owners of the parent	485	744

### **(3) Notes to Consolidated Quarterly Financial Statements**

(Notes Regarding Going Concern Assumptions)

Not applicable

(Notes Regarding Substantial Changes in Shareholders' Equity)

Not applicable

(Application of Special Accounting Treatment in the Preparation of the Consolidated Financial Statements)

(Calculation of Tax Expense)

Tax expense has been calculated by rationally estimating the effective tax rate after the application of tax effect accounting for profit before income taxes in the consolidated fiscal year, including the subject first quarter period, and multiplying this estimated effective tax rate by profit before income taxes.

(Changes in Accounting Policies)

Not applicable

(Additional Information)

(Stock Compensation Plan for Directors)

Under its 68th annual shareholders meeting held on May 17, 2018, the Company introduced a stock compensation plan (hereinafter, the "Plan"), with eligible persons the Company's directors (excluding directors who are audit and supervisory committee members) and directors who are audit and supervisory committee members (excluding outside directors), as well as directors and corporate auditors (excluding outside corporate auditors) of the Company's major group companies from November 28, 2018.

i. Summary of the transaction

The Plan is a stock compensation plan to grant the Company's shares to eligible directors of eligible companies in accordance with rules for granting trust-based stock compensation to corporate officers as determined by the eligible companies. The Company will contribute funds to the trust, and the trust will use these funds to acquire the Company's shares, and grant them to eligible directors. In principle, directors and other officers will receive the Company's shares at the time of retirement.

ii. The Company's own shares held in the Trust

The Company's own shares held in the Trust are recorded as treasury stock under net assets at their book value in the Trust (excluding the amount of ancillary expenses). The book value and number of shares of such treasury stock was ¥255 million, for 132,170 shares at the end of the previous consolidated fiscal year, and ¥241 million, for 125,329 shares at the end of the first quarter of the subject consolidated fiscal year.

(Segment Information)

**I The first quarter of the fiscal year ended February 29, 2024 (March 1, 2023 to May 31, 2023)**

**1. Information Regarding Sales and Income or Loss by Reportable Segment**

(Millions of yen)

	Reportable Segments			Adjustment amount (Note 1)	Amount recorded on consolidated quarterly statements of income (Note 2)
	Brand Business	Apparel Business	Total		
Net sales					
Revenue from contracts with customers	3,893	5,457	9,350	—	9,350
Other revenue (Note 3)	18	217	235	—	235
Net sales to outside customers	3,911	5,674	9,585	—	9,585
Intrasegment net sales and transfers	0	25	25	(25)	—
Total	3,911	5,699	9,611	(25)	9,585
Segment income	382	451	833	(105)	727

Notes:

1. The adjustment amount of minus ¥105 million for segment income mainly includes amortization of goodwill totaling minus ¥124 million, general administrative expenses that are not attributable to individual reportable segments amounting to minus ¥120 million and elimination of inter-segment transactions of ¥139 million. Corporate expenses are primarily general administrative expenses not attributable to reportable segments.
2. Segment income figures have been adjusted to operating income on the consolidated quarterly income statements.
3. “Other revenue” is real estate lease revenue.

**2. Information Regarding Impairment Loss of Fixed Assets, Goodwill and Related Items by Reportable Segment**

There was no major impairment loss recorded during the period under review.

**II The first quarter of the fiscal year ending February 28, 2025 (March 1, 2024 to May 31, 2024)**

**1. Information Regarding Sales and Income or Loss by Reportable Segment**

(Millions of yen)

	Reportable Segments			Adjustment amount (Note 1)	Amount recorded on consolidated quarterly statements of income (Note 2)
	Brand Business	Apparel Business	Total		
Net sales					
Revenue from contracts with customers	3,492	5,976	9,469	—	9,469
Other revenue (Note 3)	18	205	223	—	223
Net sales to outside customers	3,511	6,182	9,693	—	9,693
Intrasegment net sales and transfers	0	44	44	(44)	—
Total	3,511	6,226	9,738	(44)	9,693
Segment income	249	406	655	(113)	542

Notes:

1. The adjustment amount of minus ¥113 million for segment income mainly includes amortization of goodwill totaling minus ¥124 million, general administrative expenses that are not attributable to individual reportable segments amounting to minus ¥115 million and elimination of inter-segment transactions of ¥126 million. Corporate expenses are primarily general administrative expenses not attributable to reportable segments.
2. Segment income figures have been adjusted to operating income on the consolidated quarterly income statements.
3. “Other revenue” is real estate lease revenue.

**2. Changes to Reportable Segments, etc.**

From the first quarter period of the subject fiscal year, the name of the “Jewelry Business” segment was changed to “Brand Business.” The change in segment name does not affect the segment information. Of note, the reportable segments for the corresponding period of the previous fiscal year are also shown under the changed name.

**3. Information Regarding Impairment Loss of Fixed Assets, Goodwill and Related Items by Reportable Segment**

There was no major impairment loss recorded during the subject period.

(Matters Related to Revenue Recognition)

Information analyzing the revenue resulting from contracts with customers is presented in “Notes (Segment information)”.

(Important Subsequent Events)

Not applicable