



# BAROQUE JAPAN LIMITED

FY2025/02 First Quarter  
Financial Results and Supplementary Information

**July 16, 2024**

Tokyo Stock Exchange Prime Market

Stock code 3548







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## FY2025/02 First Quarter Result Overview

- Due to the decline in consumer spending in China last fiscal year and other factors, the loss on valuation of goods in China business occurred.
- Although the group are promoting store scrap and build to improve efficiency, the recovery of China business performance is still halfway.
- The domestic business has not been able to support consolidated performance.

(JPY mil)	FY2025/02		FY2024/02
	1Q	YoY	1Q
<b>Consolidated Sales</b>	<b>13,859</b>	95.0%	14,590
<b>Consolidated Gross Profit</b>	<b>8,591</b>	93.5%	9,185
Gross Profit Ratio	62.0%	▲1.0pt	63.0%
Consolidated SG&A	<b>7,945</b>	99.8%	7,959
SG&A Ratio	57.3%	+2.7pt	54.6%
<b>Operating Profit</b>	<b>646</b>	52.7%	1,225
Operating Profit Ratio	4.7%	▲3.7pt	8.4%
<b>Recurring Profit</b>	<b>254</b>	23.1%	1,101
Recurring Profit Ratio	1.8%	▲5.7pt	7.5%
<b>Profit attributable to owners of parent</b>	<b>3</b>	0.5%	684
Profit Ratio	0.0%	▲4.7pt	4.7%

(JPY mil)	FY2025/02		FY2024/02
	1Q	YoY	1Q
<b>Sales</b>	<b>12,606</b>	94.9%	13,277
(Store Sales)	<b>9,369</b>	94.3%	9,939
(EC Sales)	<b>2,555</b>	100.5%	2,543
<b>Gross Profit</b>	<b>8,029</b>	94.0%	8,545
Gross Profit Ratio	63.7%	▲0.7pt	64.4%
SG&A	<b>7,555</b>	98.9%	7,643
SG&A Ratio	59.9%	+2.3pt	57.6%
<b>Operating Profit</b>	<b>473</b>	52.5%	901
Operating Profit Ratio	3.8%	▲3.0pt	6.8%
<b>Recurring Profit</b>	<b>539</b>	60.2%	896
Recurring Profit Ratio	4.3%	▲2.5pt	6.8%
<b>Net Profit</b>	<b>358</b>	58.8%	610
Profit Ratio	2.8%	▲1.8pt	4.6%

## China JV

- Due to the suppression of purchase, sales from China JV were 82.0% year-on-year.
- Since retail company performed not well, the royalty was 50.5% year-on-year.
- The number of stores decreased by 22 stores to a total of 222 stores compared to the end of the previous fiscal year. The group have focused on maintaining store presence in areas less affected by the real estate downturn in China, primarily in Beijing and Shanghai, while closing unprofitable stores in regional areas.
- E-commerce ratio exceeded the period of the previous fiscal year . (EC ratio 24.5%)

(JPY mil)	FY2025/02 1Q		FY2024/02 1Q	
	Amount	YoY	Amount	YoY
<b>Sales from China JV</b>				
Wholesale	969	84.4%	1,149	90.7%
Royalty	44	50.5%	87	125.5%
<b>Total sales</b>	<b>1,013</b>	<b>82.0%</b>	<b>1,237</b>	<b>92.5%</b>
<b>Profit from China JV</b>				
Equity method investment gain	▲ 464	-	▲ 99	-
51% of JV subsidiary	38	54.1%	70	101.6%
Royalty after tax	31	50.5%	61	125.5%
<b>Total profit</b>	<b>▲ 394</b>	<b>-</b>	<b>32</b>	<b>▲ 17.6%</b>

## U.S. Business

- In the U.S. business, wholesale sales were strong as orders recovered with the stabilization of product supply. In addition, EC sales also grew, resulting in a year-on-year increase in sales.

(JPY mil)	FY2025/02 1Q			FY2024/02 1Q	
	Actual	Composition	YoY	Actual	Composition
Consolidated Sales	13,859		95.0%	14,590	
FB/SB Brands	4,725	34.1%	97.4%	4,852	33.3%
SC Brands	5,901	42.6%	91.3%	6,463	44.3%
Dept. Store Brands	1,453	10.5%	101.7%	1,429	9.8%
Overseas	1,566	11.3%	94.6%	1,654	11.3%
Others	212	1.5%	111.6%	190	1.3%

(JPY mil)	FY2025/02		FY2024/02
	1Q	YoY	1Q
Consolidated Sales	<b>13,859</b>	95.0%	14,590
SG&A Expense	<b>7,945</b>	99.8%	7,959
	57.3%	+2.7pt	54.6%
Advertising and promotional cost	<b>485</b>	102.3%	474
	3.5%	+0.3pt	3.2%
Salaries and wages	<b>1,420</b>	99.2%	1,432
	10.2%	+0.4pt	9.8%
Store rent and fee for franchisee	<b>3,104</b>	97.8%	3,175
	22.4%	+0.6pt	21.8%
Depreciation	<b>242</b>	111.4%	217
	1.7%	+0.2pt	1.5%
Others	<b>2,692</b>	101.2%	2,660
	19.4%	+1.2pt	18.2%



(JPY mil)	FY2025/02(2024/05/31)			FY2024/02(2023/05/31)	
	Amount	Composition	YoY	Amount	Composition
Cash and cash equivalents	10,208	26.9%	87.5%	11,661	31.2%
Trade Receivables	11,164	29.4%	114.9%	9,715	26.0%
Inventories	6,290	16.6%	91.7%	6,863	18.4%
Other Current Assets	396	1.0%	87.0%	455	1.2%
Non Current Assets	9,918	26.1%	114.8%	8,639	23.2%
Total Assets	37,978	100.0%	101.7%	37,334	100.0%
Liabilities	16,750	44.1%	106.0%	15,796	42.3%
Equity	21,228	55.9%	98.6%	21,538	57.7%



## JAPAN



Opened : 9stores  
Closed : 7stores  
End of FY : 363stores  
(+ 2 stores in FY)  
(▲2 stores in YoY)

\*As of 31 May 2024

## CHINA JV

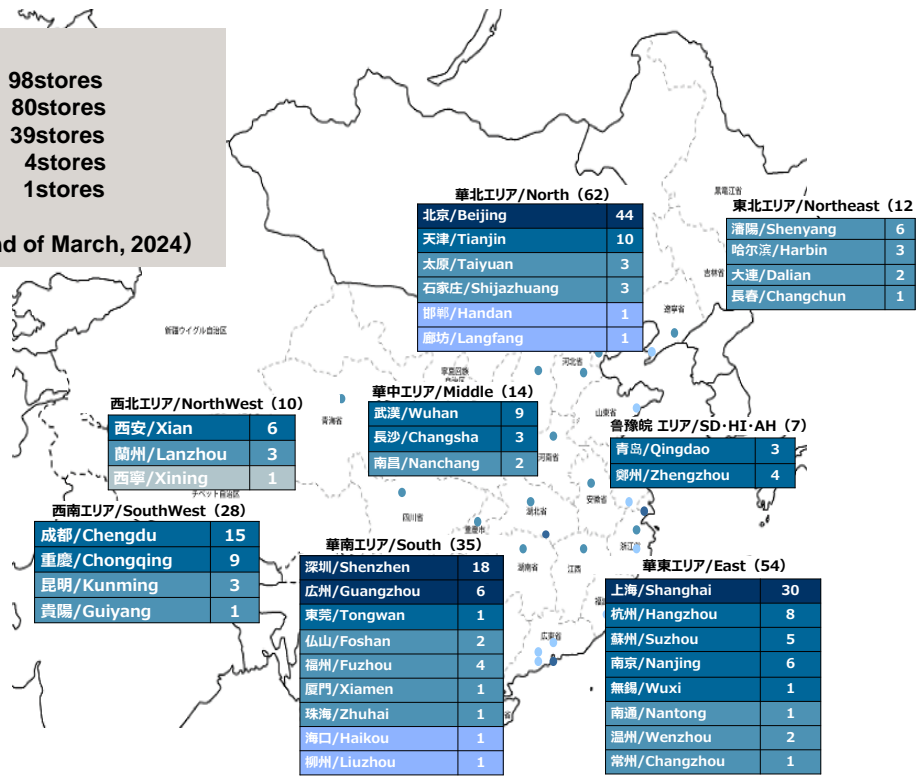


Opened : 2stores  
Closed : 24stores  
End of FY : 222stores  
(▲22 stores in FY)  
(▲72 stores in YoY)

\*As of 31 March 2024, included in the consolidated financial statements.

- Number of stores in China : 222 stores (as of the end of March, 2024)
- From September 1, 2023, due to area reorganization, changed from 5 areas (East, West, South, North, and Middle) to 8 areas (East, South, North, Middle, Northeast, Northwest, Southwest, SD•HI•AH)
- It is common to classify cities based on the “Ranking of Cities Business Attractiveness in China” published annually by The Rising Lab, the big data project of Yicai Media Group

- Store number : 222 stores
- 1<sup>st</sup> tier city: 4cities 98stores
- New 1<sup>st</sup> tier city: 13cities 80stores
- 2<sup>nd</sup> tier city: 17cities 39stores
- 3<sup>rd</sup> tier city: 4cities 4stores
- 4<sup>th</sup> tier city: 1cities 1stores
- Number of cities : 39cities  
(As of end of March, 2024)



City Ranking Overview	
Selection Index	<ul style="list-style-type: none"> <li>• Enrichment of commercial facilities</li> <li>• Functionality as a hub of the city</li> <li>• Citizen's activity</li> <li>• Diversity of lifestyle</li> <li>• Future possibilities,</li> </ul> <p>Based on the above indicators, 337 cities in China are comprehensively ranked up to 1st grade, new 1st grade, 2nd grade, 3rd grade, 4th grade, and 5th grade.</p>
Start Year	2016- (announced once a year)
Notes	The ranking fluctuates each year, and the FY2024 ranking is based on data from FY2023 to early 2024.

### City Definition

1<sup>st</sup> tier cities (4 cities): Shanghai, Beijing, Shenzhen, Guangzhou

New 1<sup>st</sup> tier cities (15 cities): Chengdu, Hangzhou, Chongqing, Suzhou, Wuhan, Xi'an, Nanjing, Changsha, Tianjin, Zhengzhou, Dongguan, Wuxi, Ningbo, Qingdao, Hefei ,

2<sup>nd</sup> tier cities (30 cities): Foshan, Shenyang, Kunming, Jinan, Xiamen, Fuzhou, Wenzhou, Changzhou, Dalian, Shijiazhuang, Nanning, Harbin, Jinhua, Nanchang, Changchun, Nantong, Quanzhou, Guiyang, Jiaxing, Taiyuan, Huizhou, Xuzhou, Shaoxing, Zhongshan, Taizhou, Yantai, Zhuhai, Baoding, Weifang, Lanzhou

3<sup>rd</sup> tier cities : Please refer to Japanese version

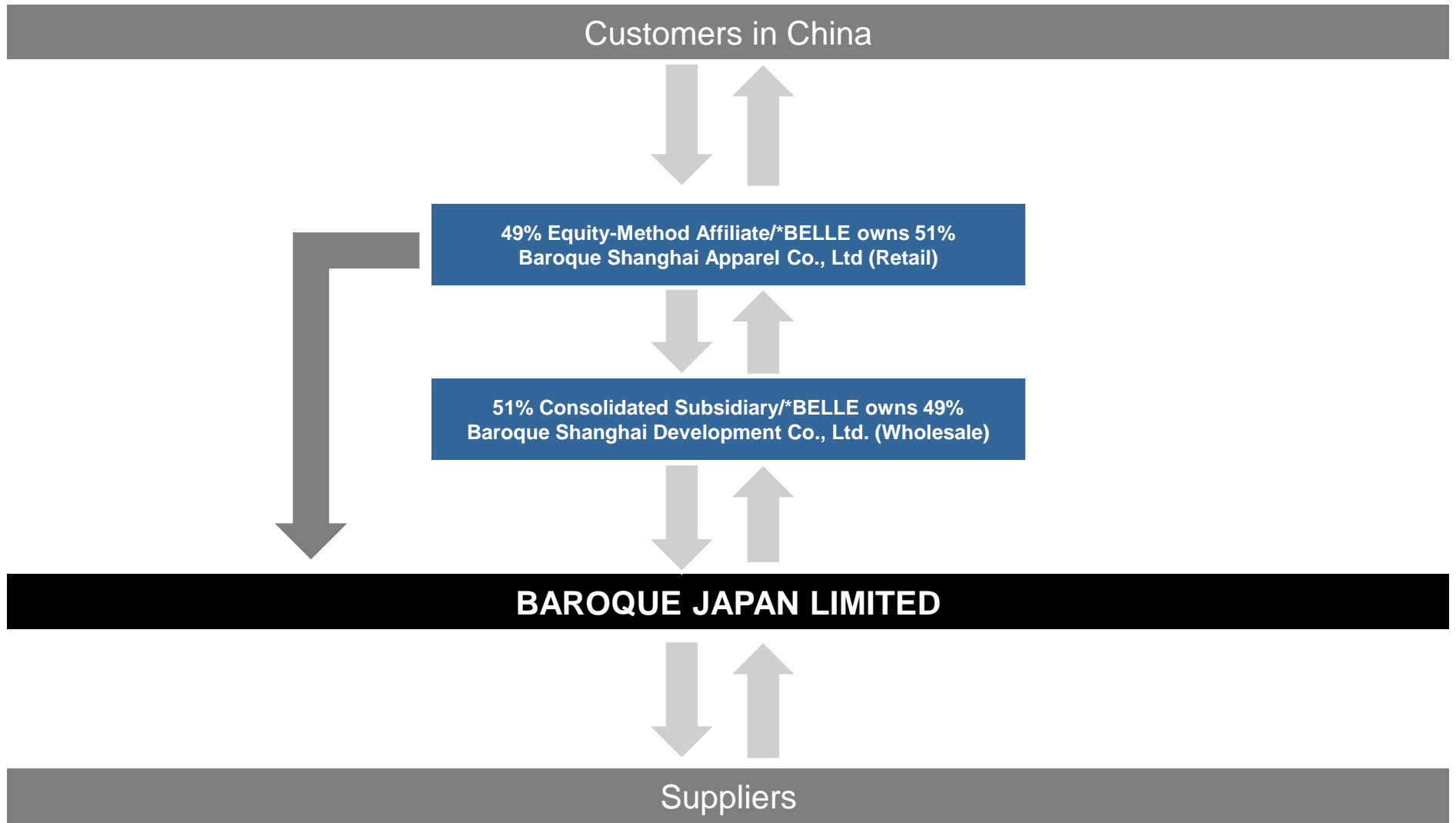
\*The above are grouped based on the " Ranking of cities 2024 Business Attractiveness in China "

(The Rising Lab, the big data project of Yicai Media Group, announced on May 30, 2024).





Appendix



↑ : Merchandise

↓ : Order

↙ : Royalty

\*BELLE : BELLE INTERNATIONAL HOLDINGS LIMITED



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