



## Summary of (Consolidated) Financial Statements for the Q1 Term of Fiscal Year Ending December 31, 2024 (Japanese Standards)

May 10, 2024

Listed company: Laox Holdings Co., Ltd. Stock exchange: Tokyo Stock Exchange  
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Supplementary Documents for Quarterly Results: No  
Quarterly Results Briefing: No

(Rounded down to nearest million yen)

### 1. Consolidated Results for the Q1 Term of FY2024 (January 1, 2024 to March 31, 2024)

#### (1) Consolidated operating results (Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
Q1 of FY2024	12,770	30.3	(902)	-	(798)	-	(799)	-
Q1 of FY2023	9,799	(18.5)	(787)	-	(763)	-	(660)	-

(Note) Comprehensive income Q1 of FY2024: (781) million yen (-%) Q1 of FY2023: (645) million yen (-%)

	Profit per share	Diluted profit per share
	Yen	Yen
Q1 of FY2024	(8.75)	-
Q1 of FY2023	(7.23)	-

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
Q1 of FY2024	40,599	21,624	53.2
FY2023	46,262	22,406	48.4

(For reference) Equity Q1 of FY2024: 21,614 million yen FY2023: 22,396 million yen

### 2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2023	-	-	-	0.00	0.00
FY2024	-	-	-	-	-
FY2024 (forecast)	-	-	-	0.00	0.00

(Note) Revision to the forecast publicized most recently: No

### 3. Results forecast for FY2024 (from January 1, 2024 to December 31, 2024)

(Percentages indicate year-on-year changes.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Profit per share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
Full year	68,000	13.0	1,200	321.2	950	71.0	700	(65.7)	7.66

\*Notes

- (1) Important changes in subsidiaries in the first quarter under review (changes in specified subsidiaries resulting in changes in scope of consolidation): No
- (2) Application of accounting specific to the preparation of quarterly consolidated financial statements: No
- (3) Changes in accounting policy and changes or restatement of accounting estimates
- |   |    |
|---|----|
| (i) Changes in accounting policy due to revisions to accounting standards etc.: | No |
| (ii) Changes in accounting policy other than those in (i):                      | No |
| (iii) Changes in accounting estimates:  | No |
| (iv) Restatement of accounting estimates:                                       | No |

(4) Number of issued shares (common shares)

(i) Number of issued shares at the end of period (including treasury stock):	Q1 of FY2024	93,335,103 shares
	FY2023	93,335,103 shares
(ii) Number of shares of treasury stock at the end of period:	Q1 of FY2024	1,918,474 shares
	FY2023	1,918,464 shares
(iii) Average number of issued shares during period (from the beginning of period)	Q1 of FY2024	91,416,632 shares
	Q1 of FY2023	91,416,714 shares

\* This summary of quarterly consolidated financial statements falls outside the scope of the quarterly review by certified public accountants or audit corporations.

\* Explanation on the proper use of results forecasts and other special notes

Forward-looking statements, including results forecasts, in this document are based on information that the Group has obtained and certain assumptions that the Group believes to be reasonable. Actual results may differ significantly due to a variety of factors.

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## 1. Qualitative Information on Consolidated Results

### (1) Explanation of operating results

During the first quarter of the fiscal year under review, the Japanese economy showed a moderate recovery trend, with an increase in inbound demand, an improvement in the income environment, and an increase in personal consumption. Meanwhile, the outlook remained uncertain due to a strong awareness of the need to secure human resources, increased pressure for wage increases, downturns in overseas economies due to global monetary tightening, price increases due to the rise in prices of resources and raw materials due to the weak yen, delayed recovery of Chinese tourists, and rising geopolitical risks.

Against this backdrop, the Group is developing growth strategies appropriate for each business segment to realize its mission of proposing a rich and varied lifestyle, or “Global Life Style,” and supporting its evolution and creation. SHADDY, a group company, not only sells products, but also distributes useful daily life information to customers, establishes direct contact with customers, and released new content called Shaddy App in February in order to attract young consumers. In the Retail Business, the Group is actively working to increase revenues in the new product category by strengthening sales capabilities for high-end products and rebranding.

As a result, consolidated results for the first quarter of the fiscal year under review were net sales of 12,770 million yen (up 30.3% year on year) and operating loss of 902 million yen (a loss of 787 million yen in the same period of the previous year), partly due to the acquisition of Barneys Japan as a subsidiary in May of last year. In addition, due to the impact of the depreciation of the yen, a foreign exchange gain of 129 million yen was recorded, resulting in an ordinary loss of 798 million yen (a loss of 763 million yen in the same period of the previous year) and loss attributable to owners of parent of 799 million yen (a loss of 660 million yen in the same period of the previous year).

Operating results for each business segment are detailed below. The business segments for which information was reported as reporting segments were revised in the second quarter of the previous year, and a comparative analysis of the first quarter of the fiscal year under review was based on the segments after the revision.

#### (Gift Solution Business)

In the Gift Solution Business segment, we mainly sell confectionery as gifts, miscellaneous goods and lifestyle-related goods. In this fiscal year, we are actively entering the casual gift market in addition to the traditional gift giving in return.

A pop-up store THE SWEETS, a confectionery private brand (PB) shop that has been performing well since last year, is contributing to the expansion of the new fan base by opening a *repeat store* (a store where specific products or services are sold at regular intervals) at JR Shin-Osaka Station, establishing a permanent presence in the service area, and actively developing collaborations. In addition, we launched new content called Shaddy App in February with the aim of promoting an omnichannel business and attracting new customers.

In addition, although online sales remained strong and sales increased in the corporate business due to the acquisition of new local government-related businesses, sales declined due to a delay in responding to changes in consumer behavior in the gift market.

As a result, segment net sales for the first quarter of the fiscal year under review decreased 9.0% year on year to 6,841 million yen, and segment loss was 329 million yen (a loss of 293 million yen in the same period of the previous year).

#### (Retail Business)

In the Retail Business segment, sales of high-quality products were strong due to the record number of inbound tourists as well as domestic customers and the review of our merchandising strategy. We have begun preparations to expand our store network in anticipation of further sales growth. In addition to focusing on strengthening its brand exposure overseas, especially in China, Barneys Japan has introduced new categories such as art, jewelry, and watches, and is also promoting the pop-up development of various collaboration products.

As a result, net sales for the first quarter under review were 5,323 million yen (up 547.2% year on year), and segment loss was 223 million yen (a loss of 72 million yen in the same period of the previous year), partly due to an increase in the sales composition of inbound tourists of Barneys Japan.

#### (Trading Business)

In the Trading Business segment, since last year, we have been working to restructure unprofitable businesses in order to respond to changes in the Chinese market. On the other hand, Kurogi, a Japanese restaurant operated by a subsidiary in China, has been appointed as a “Japanese Cuisine Goodwill Ambassador” by the Ministry of Agriculture, Forestry and Fisheries of Japan, and has been working to attract new customers while conveying the appeal of Japanese food, agriculture, forestry and fishery products and food products by showcasing Japanese food and food culture.

As a result, segment net sales for the first quarter of the fiscal year under review decreased 71.6% year on year to 289 million yen, and segment profit was 6 million yen (a loss of 61 million yen in the same period of the previous year) due to the effects of the structural reforms from last year.

#### (Asset Service Business)

In the Asset Service Business segment, we are engaged in the brokerage business of commercial properties, and have been working to improve profits by replacing tenants, attracting new business types, improving cash flow, and reducing costs in order to make

effective use of managed commercial properties and group real estate.

As a result, segment net sales for the first quarter of the fiscal year under review decreased 27.5% year on year to 315 million yen, and segment loss was 52 million yen (a loss of 110 million yen in the same period of the previous year).

(2) Explanation of financial conditions

(Assets)

Total assets at the first quarter of the fiscal year under review amounted to 40,599 million yen (46,262 million yen at the end of the previous fiscal year). This was mainly due to a decrease of 731 million yen in cash and deposits and a decrease of 4,732 million yen in notes and accounts receivable–trade.

(Liabilities)

Total liabilities came to 18,974 million yen (23,855 million yen at the end of the previous fiscal year). This was mainly due to decreases of 3,506 million yen in notes and accounts payable–trade, 454 million yen in electronically recorded obligations–operating, and 822 million yen in current liabilities and others.

(Net assets)

Total net assets came to 21,624 million yen (22,406 million yen at the end of the previous fiscal year). The drop in net assets was attributable primarily to a decrease of 799 million yen in retained earnings.

(3) Explanation of information on future predictions such as consolidated results forecasts, etc.

There is no revision to the consolidated results forecasts announced on February 9, 2024. The forecasts are based on information currently available, and actual results may differ from the forecasts due to various factors.

## 2. Quarterly Consolidated Financial Statements and Important Notes

### (1) Quarterly consolidated balance sheet

(Million yen)

	FY2023 (As of December 31, 2023)	First quarter of FY2024 (As of March 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	11,156	10,425
Notes and accounts receivable–trade	13,516	8,784
Inventory	6,737	6,788
Others	3,957	3,802
Allowance for doubtful accounts	(318)	(311)
Total current assets	35,050	29,487
Non-current assets		
Property, plant and equipment	5,375	5,321
Intangible assets	1,072	1,032
Investments and other assets		
Others	8,269	8,099
Allowance for doubtful accounts	(3,504)	(3,341)
Total investments and other assets	4,764	4,757
Total non-current assets	11,212	11,112
Total assets	46,262	40,599

(Million yen)

	FY2023 (As of December 31, 2023)	First quarter of FY2024 (As of March 31, 2024)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable–trade	8,363	4,856
Electronically recorded obligations–operating	2,004	1,549
Short-term borrowings	2,550	2,550
Income taxes payable	51	14
Provisions	276	301
Allowance for loss on contracts	232	223
Others	5,834	5,012
Total current liabilities	19,313	14,508
Non-current liabilities		
Long-term borrowings	192	184
Provisions	150	133
Allowance for loss on contracts	809	756
Retirement benefit liability	976	965
Asset retirement obligations	857	858
Others	1,554	1,569
Total non-current liabilities	4,542	4,466
Total liabilities	23,855	18,974
<b>Net assets</b>		
Shareholders' equity		
Capital	100	100
Capital surplus	17,652	17,652
Retained earnings	6,407	5,608
Treasury shares	(2,419)	(2,419)
Total shareholders' equity	21,740	20,941
Accumulated other comprehensive income		
Foreign currency translation adjustment	651	668
Remeasurements of defined benefit plans	4	4
Total accumulated other comprehensive income	655	672
Share acquisition rights	10	10
Total net assets	22,406	21,624
<b>Total liabilities and net assets</b>	<b>46,262</b>	<b>40,599</b>

(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

Quarterly consolidated statement of income

First quarter

(Million yen)

	First quarter of FY2023 (From January 1 to March 31, 2023)	First quarter of FY2024 (From January 1 to March 31, 2024)
Net sales	9,799	12,770
Cost of sales	7,400	8,661
Gross profit	2,399	4,109
Selling, general and administrative expenses	3,187	5,012
Operating profit (loss)	(787)	(902)
Non-operating income		
Interest income	5	6
Foreign exchange gains	53	129
Others	9	7
Total non-operating income	68	143
Non-operating expenses		
Interest expenses	2	2
Share of loss of entities accounted for using equity method	8	11
Rent expenses on land and buildings	26	-
Commission expenses	-	15
Others	7	9
Total non-operating expenses	43	38
Ordinary loss	(763)	(798)
Extraordinary income		
Gain on sale of fixed assets	4	0
Reversal of allowance for loss on contracts	122	-
Others	24	-
Total extraordinary income	151	0
Extraordinary losses		
Loss on retirement of non-current assets	-	1
Contractual losses	59	-
Others	13	-
Total extraordinary losses	73	1
Loss before income taxes	(685)	(799)
Total income taxes	(24)	0
Loss	(660)	(799)
Loss attributable to owners of parent	(660)	(799)



Quarterly consolidated statement of comprehensive income

First quarter

(Million yen)

	First quarter of FY2023 (From January 1 to March 31, 2023)	First quarter of FY2024 (From January 1 to March 31, 2024)
Loss	(660)	(799)
Other comprehensive income		
Valuation difference on available-for-sale securities	0	-
Foreign currency translation adjustment	14	17
Remeasurements of defined benefit plans, net of tax	(0)	(0)
Total other comprehensive income	14	17
Comprehensive income	(645)	(781)
(Breakdown)		
Comprehensive income attributable to owners of parent	(645)	(781)

(3) Notes to the quarterly consolidated financial statement

(Explanatory notes regarding assumption of going concern)

Not applicable

(Explanatory notes in case of remarkable change in monetary amount of shareholders' equity)

Not applicable

(Segment information, etc.)

First quarter of FY2023 (from January 1 to March 31, 2023)

1. Information concerning monetary amount of sales and profit or loss of each reporting segment

(Million yen)

	Reporting segment				Total	Amount of adjustment (Note) 1	Amount reported in quarterly consolidated statement of income (Note) 2
	Gift Solution Business	Retail Business	Trading Business	Asset & Service Business			
Net sales							
Sales to external clients	7,521	822	1,020	434	9,799	-	9,799
Internal sales or transfers between segments	33	-	7	16	57	(57)	-
Total	7,554	822	1,028	451	9,857	(57)	9,799
Segment profit (loss)	(293)	(72)	(61)	(110)	(537)	(250)	(787)

(Notes) 1. Segment profit adjustment of (250) million yen includes elimination of inter-segment transactions of 40 million yen and whole company expenses not divided into each reporting segment of (290) million yen. Whole company expenses mainly consist of personnel expenses and general management expenses that do not belong to reporting segments.

2. Segment profit (loss) is adjusted to operating loss in the consolidated statement of income.

First quarter of FY2024 (from January 1 to March 31, 2024)

1. Information concerning monetary amount of sales and profit or loss of each reporting segment

(Million yen)

	Reporting segment				Total	Amount of adjustment (Note) 1	Amount reported in quarterly consolidated statement of income (Note) 2
	Gift Solution Business	Retail Business	Trading Business	Asset & Service Business			
Net sales							
Sales to external clients	6,841	5,323	289	315	12,770	-	12,770
Internal sales or transfers between segments	46	9	8	84	149	(149)	-
Total	6,888	5,333	298	400	12,920	(149)	12,770
Segment profit (loss)	(329)	(223)	6	(52)	(599)	(303)	(902)

(Notes) 1. Segment profit adjustment of (303) million yen includes elimination of inter-segment transactions of 4 million yen and whole company expenses not divided into each reporting segment of (308) million yen. Whole company expenses mainly consist of personnel expenses and general management expenses that do not belong to reporting segments.

2. Segment profit (loss) is adjusted to operating loss in the consolidated statement of income.

2. Changes in reporting segments

The Company acquired all of the shares of Barneys Japan Co., Ltd. and made it a subsidiary on May 1, 2023. As a result of making a fresh review of the appropriate management information disclosure categories in the Group and the internal performance management categories and names, the Company has decided to change the reporting segments to four categories: Gift Solution Business, Retail Business, Trading Business, and Asset & Service Business.

Segment information for the first quarter of the previous year is disclosed based on the classification method after the change.