



Summary of (Consolidated) Financial Statements for the Q1 Term of Fiscal Year Ending December 31, 2025 (Japanese Standards)

May 9, 2025

Listed company: Laox Holdings Co., Ltd. Stock exchange: Tokyo Stock Exchange
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Planned Starting Date for Dividend Payments: -
Supplementary Documents for Results: No
Financial Results Briefing: No

(Rounded down to nearest million yen)

1. Consolidated Results for the Q1 Term of FY2025 (January 1, 2025 to March 31, 2025)

(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 FY2025:	11,477	(10.1)	(1,047)	-	(1,183)	-	(1,232)	-
Q1 of FY2024:	12,770	30.3	(902)	-	(798)	-	(799)	-

(Note) Comprehensive income Q1 of FY2025: (1,227) million yen (- %) Q1 of FY2024: (781) million yen (- %)

	Profit per share	Diluted profit per share
	Yen	Yen
Q1 of FY2025:	(13.48)	-
Q1 of FY2024:	(8.75)	-

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Million yen	Million yen	%
Q1 of FY2025:	38,100	21,581	56.6
FY2024	44,061	22,991	52.2

(For Reference) Equity Q1 of FY2025: 21,570 million yen FY2024: 22,981 million yen

2. Dividends

	Dividends per share				
	End of Q1	End of Q2	End of Q3	Year-end	Total
	Yen	Yen	Yen	Yen	Yen
FY2024	-	-	-	2.00	2.00
FY2025	-				
FY2025 (forecast)		-	-	3.00	3.00

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

3. Results Forecast for FY2025 (from January 1, 2025 to December 31, 2025)

(Percentages indicate year-on-year changes for full year.)

	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	63,000	2.4	630	342.6	630	177.7	800	19.2	8.75

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

* Notes

(1) Important changes in scope of consolidation in the period under review: Yes

New: - companies (Company name)-

Exclusion: 1 company (Company name) Shanghai Shuogang Trading Co., Ltd.

(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.: Yes

(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 FY2025	93,335,103 shares
FY2024	93,335,103 shares
Q1 of FY2025	1,918,700 shares
FY2024	1,918,533 shares
Q1 of FY2025	91,416,512 shares
Q1 of FY2024	91,416,632 shares

(ii) Number of shares of treasury stock at the end of period:

(iii) Average number of issued shares during period
(from the beginning of period)

* Review of the attached quarterly consolidated financial statements by certified public accountants or audit corporations:
No

* 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.

Contents of attached document

1. Explanation of operating results	2
(1) Explanation of operating results for the quarter under review	2
(2) Explanation of financial conditions for the quarter under review	3
(3) Explanation of information on future predictions such as consolidated results forecasts, etc.	3
2. Quarterly Consolidated Financial Statements and Important Notes.....	4
(1) Quarterly consolidated balance sheet.....	4
(2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income.....	6
(Quarterly consolidated statement of income)	6
(Quarterly consolidated statement of comprehensive income)	7
(Notes to segment information, etc.).....	8
(Explanatory notes in case of remarkable change in monetary amount of shareholders' equity)	9
(Explanatory notes regarding assumption of going concern).....	9
(Notes to quarterly consolidated statement of cash flow)	9

1. Explanation of operating results

(1) Explanation of operating results for the quarter under review

During the first quarter of the fiscal year under review, the Japanese economy was expected to recover moderately as normalization of economic activities progressed and the employment and income environment improved, especially among major companies. Consumption by foreign visitors to Japan is also at a high level due to the expansion of inbound tourism. On the other hand, the situation remains uncertain due to continued inflation, monetary policy developments in the United States, geopolitical risks in the Middle East, and unstable financial and capital markets.

Under these circumstances, the Laox Group (the “Group”) has formulated the Medium-term Management Plan (FY2025 to FY2027) to realize its management philosophy of proposing a rich and varied lifestyle, or “Global Life Style” and supporting its evolution and creation, and to have renewed business growth. In order to respond flexibly and swiftly to the rapidly changing business environment and to strengthen the competitiveness of the Group as a whole and to restructure the business portfolio, we will implement various measures under the four key strategic themes of “investment for reform and growth with priority on earnings,” “further selection and concentration,” “expansion/shift of customer segments,” and “maximization of group synergies.”

In the Gift Solution Business, we are strengthening our lineup of premium sweets, starting with collaboration products. In addition, under the policy of “selection and concentration,” we will consolidate and close duty-free retail stores in the Retail Business in order to optimize the allocation of management resources, and move forward with initiatives to build the next store structure.

As a result, net sales for the first quarter of the fiscal year under review decreased 10.1% year on year to 11,477 million yen as we fail to completely capture consumer needs during seasonal changes at our apparel shops in the Retail Business. Operating loss was 1,047 million yen (a loss of 902 million yen in the same period of the previous year) while ordinary loss was 1,183 million yen (a loss of 798 million yen in the same period of the previous year). Loss attributable to owners of parent was 1,232 million yen (a loss of 799 million yen in the same period of the previous year).

Operating results for each business segment are detailed below.

(Gift Solution Business)

In this segment, we mainly sell Western confectionery as gifts, miscellaneous goods and lifestyle-related goods, and offer various services such as operation of logistics facilities, e-commerce websites and call centers.

For the “THE SWEETS” private brand of Western confectionery, we work to expand sales channels through the development of new products and new flavors. With regard to services, we create synergies within the Group by taking advantage of the functions we have developed through the sale of gift products and by applying the experience to logistics operations for apparel and e-commerce operations.

As a result, segment net sales for the first quarter of the fiscal year under review decreased 9.4% year on year to 6,195 million yen, and segment loss was 268 million yen (a loss of 329 million yen in the same period of the previous year).

(Retail Business)

In this segment, the number of foreign visitors to Japan continued to increase at duty-free stores and achieved a record number of visits in January. Given the solid inbound tourism, the gross margin remained at a level higher than the previous year due to the strengthening of sales of high-margin products. In February, we opened a pop-up store to flexibly meet demand. On the other hand, in line with the review of our business strategy, we are consolidating our stores. In addition, apparel shops, which mainly target domestic customers, performed well due to the annual large-scale sale in January. Meanwhile, growth in February was somewhat sluggish on a year-on-year basis due to the closing of the Seibu Shibuya store and the impact of low temperatures.

As a result, segment net sales for the first quarter of the fiscal year under review decreased 9.8% year on year to 4,803 million yen, and segment loss was 430 million yen (a loss of 223 million yen in the same period of the previous year).

(Trading Business)

In this segment, Kurogi, a Japanese restaurant operating in China, focused on attracting new customers and increasing brand recognition while holding the anniversary dinner party and offering party menus for Japanese companies under the theme of “Pursuit of the Heart of Japanese Cuisine.” In addition, we are analyzing customer needs in the Chinese market and making efforts to resume business in the future.

As a result, segment net sales for the first quarter of the fiscal year under review decreased 70.7% year on year to 84 million yen, and segment loss was 14 million yen (a profit of 6 million yen in the same period of the previous year).

(Asset & Service Business)

In this segment, we are engaged in the brokerage business for commercial facility properties and in the management business for properties owned by the Group companies. The occupancy rate of commercial facilities has been on a gradual upward trend as a result of active efforts to replace tenants and attract new types of businesses. We are also working to improve cash flow by liquidating and selling idle properties owned by the Group and to improve profitability by reducing costs.

As a result, segment net sales for the first quarter of the fiscal year under review increased 24.6% year on year to 392 million yen, and segment loss was 31 million yen (a loss of 52 million yen in the same period of the previous year).

(2) Explanation of financial conditions for the quarter under review

(Assets)

Total assets at the first quarter of the fiscal year under review amounted to 38,100 million yen (44,061 million yen at the end of the previous fiscal year). This was mainly due to a decrease of 1,724 million yen in cash and deposits and a decrease of 4,528 million yen in notes and accounts receivable–trade.

(Liabilities)

Total liabilities came to 16,519 million yen (21,070 million yen at the end of the previous fiscal year). This was mainly due to decreases of 3,326 million yen in notes and accounts payable–trade, 128 million yen in electronically recorded obligations–operating, 150 million yen in short-term borrowings and 690 million yen in current liabilities and others.

(Net assets)

Total net assets came to 21,581 million yen (22,991 million yen at the end of the previous fiscal year). The drop in net assets was attributable primarily to a decrease of 1,232 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 14, 2025. 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)

	FY2024 (As of December 31, 2024)	First quarter of FY2025 (As of March 31, 2025)
Assets		
Current assets		
Cash and deposits	10,810	9,086
Notes and accounts receivable–trade	12,201	7,673
Inventory	6,458	6,559
Others	4,002	4,233
Allowance for doubtful accounts	(266)	(215)
Total current assets	33,206	27,336
Non-current assets		
Property, plant and equipment	5,511	5,467
Intangible assets	880	812
Investments and other assets		
Others	7,793	7,805
Allowance for doubtful accounts	(3,341)	(3,342)
Total investments and other assets	4,451	4,463
Total non-current assets	10,843	10,743
Deferred assets	12	20
Total assets	44,061	38,100

(Million yen)

	FY2024 (As of December 31, 2024)	First quarter of FY2025 (As of March 31, 2025)
Liabilities		
Current liabilities		
Notes and accounts payable–trade	7,428	4,102
Electronically recorded obligations–operating	1,525	1,396
Short-term borrowings	2,700	2,550
Income taxes payable	77	12
Provisions	328	272
Others	4,925	4,234
Total current liabilities	16,985	12,568
Non-current liabilities		
Long-term borrowings	315	162
Provisions	295	292
Retirement benefit liability	843	828
Asset retirement obligations	872	879
Others	1,757	1,788
Total non-current liabilities	4,084	3,951
Total liabilities	21,070	16,519
Net assets		
Shareholders' equity		
Capital	100	100
Capital surplus	17,652	17,469
Retained earnings	7,078	5,846
Treasury shares	(2,419)	(2,419)
Total shareholders' equity	22,411	20,996
Accumulated other comprehensive income		
Foreign currency translation adjustment	564	568
Remeasurements of defined benefit plans	4	5
Total accumulated other comprehensive income	569	573
Share acquisition rights	10	10
Total net assets	22,991	21,581
Total liabilities and net assets	44,061	38,100

(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 FY2024 (From January 1 to March 31, 2024)	First quarter of FY2025 (From January 1 to March 31, 2025)
Net sales	12,770	11,477
Cost of sales	8,661	7,835
Gross profit	4,109	3,641
Selling, general and administrative expenses	5,012	4,689
Operating profit (loss)	(902)	(1,047)
Non-operating income		
Interest income	6	6
Foreign exchange gains	129	-
Others	7	5
Total non-operating income	143	11
Non-operating expenses		
Interest expenses	2	1
Foreign exchange losses	-	112
Share of loss of entities accounted for using equity method	11	8
Commission expenses	15	-
Others	9	24
Total non-operating expenses	38	147
Ordinary loss	(798)	(1,183)
Extraordinary income		
Gain on sale of fixed assets	0	1
Total extraordinary income	0	1
Extraordinary losses		
Loss on retirement of non-current assets	1	0
Loss on liquidation of subsidiaries and associates	-	13
Loss on business restructuring	-	29
Others	-	0
Total extraordinary losses	1	43
Loss before income taxes	(799)	(1,225)
Total income taxes	0	6
Loss	(799)	(1,232)
Loss attributable to owners of parent	(799)	(1,232)

(Quarterly consolidated statement of comprehensive income)
 (First quarter)

(Million yen)

	First quarter of FY2024 (From January 1 to March 31, 2024)	First quarter of FY2025 (From January 1 to March 31, 2025)
Loss	(799)	(1,232)
Other comprehensive income		
Foreign currency translation adjustment	17	3
Remeasurements of defined benefit plans, net of tax	(0)	0
Total other comprehensive income	17	4
Comprehensive income	(781)	(1,227)
(Breakdown)		
Comprehensive income attributable to owners of parent	(781)	(1,227)

(Notes to segment information, etc.)

[Segment information]

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	Quarterly consolidated statement of income Amount recorded (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.

First quarter of FY2025 (from January 1 to March 31, 2025)

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	6,195	4,803	84	392	11,477	-	11,477
Internal sales or transfers between segments	100	11	2	110	223	(223)	-
Total	6,295	4,815	86	503	11,700	(223)	11,477
Segment profit (loss)	(268)	(430)	(14)	(31)	(744)	(303)	(1,047)

- (Notes) 1 Segment profit adjustment of (303) million yen includes elimination of inter-segment transactions of 1 million yen and whole company expenses not divided into each reporting segment of (304) 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.

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

Not applicable

(Explanatory notes regarding assumption of going concern)

Not applicable

(Notes to quarterly consolidated statement of cash flow)

Quarterly consolidated statement of cash flow for the first quarter of the fiscal year under review has not been prepared. Depreciation (Including amortization of intangible assets excluding goodwill) and amortization of goodwill for the first quarter of the fiscal year under review are as follows.

	First quarter of FY2024 (From January 1 to March 31, 2024)	First quarter of FY2025 (From January 1 to March 31, 2025)
Depreciation	168 million yen	207 million yen
Amortization of goodwill	1 million yen	4 million yen