

# FY2026/02 1H Financial Results

September 30, 2025

and **ST HD**

# Contents

1. FY2026/02 1st Half Overview	
• Consolidated Income Statement : Summary	4
• Adastria and Group Companies	8
• Global Business/ Brand Retail Business	10
• Consolidated Balance Sheet	12
• Number of Stores and Revised plan	13
• FY2026/02 Forecast	14
• Second Half Direction and External Environment	16
2. Medium-Term Management Plan Progress	
• Summary	19
• Business Segment Progress, Topics	21
• Logistics Strategy/ Sustainability Initiatives / Published Integrated Report 2025	30
• Transitioning to a Holding Company	33

# 1. FY2026/02 1st Half Overview

## Overview

Record-high first half net sales in line with plan; 2Q stand-alone net sales underperformed plan slightly. Gross profit margin declined year on year while we controlled SG&A expenses; however, operating profit fell short of plan

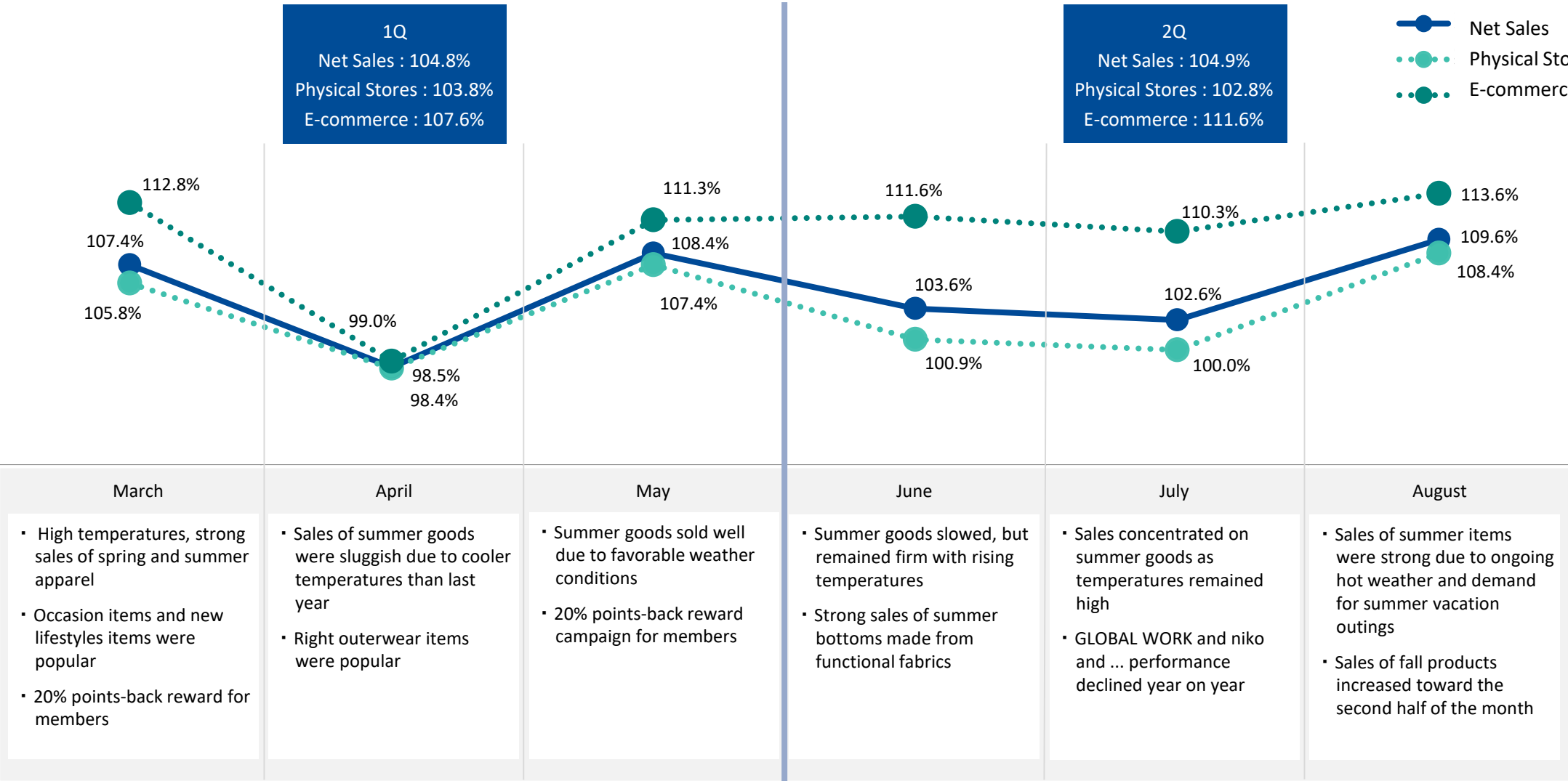
(Millions of yen)

	FY2025/02 1H				FY2026/02 1H					
	Six Months Ended		Three Months Ended		Six Months Ended			Three Months Ended		
		Ratio		Ratio		Ratio	YoY		Ratio	YoY
<b>Net Sales</b>	144,203	100.0%	70,201	100.0%	149,345	100.0%	103.6%	71,880	100.0%	102.4%
<b>Gross profit</b>	80,320	55.7%	38,714	55.1%	82,372	55.2%	102.6%	38,534	53.6%	99.5%
<b>SG&amp;A expense</b>	70,424	48.8%	34,832	49.6%	74,399	49.8%	105.6%	36,165	50.3%	103.8%
Advertising & promotion	3,958	2.7%	1,897	2.7%	4,665	3.1%	117.8%	1,889	2.6%	99.6%
Personnel	26,335	18.3%	13,245	18.9%	27,152	18.2%	103.1%	13,382	18.6%	101.0%
Rent & depreciation *	24,924	17.3%	12,330	17.6%	26,919	18.0%	108.0%	13,241	18.4%	107.4%
Others	15,205	10.5%	7,359	10.5%	15,662	10.5%	103.0%	7,652	10.6%	104.0%
<b>Operating profit</b>	9,895	6.9%	3,881	5.5%	7,973	5.3%	80.6%	2,369	3.3%	61.0%
<b>Ordinary profit</b>	10,297	7.1%	4,008	5.7%	7,790	5.2%	75.7%	2,366	3.3%	59.0%
<b>Net income attributable to owners of the parent</b>	6,939	4.8%	2,533	3.6%	5,987	4.0%	86.3%	1,613	2.2%	63.7%
<b>EBITDA</b>	15,139	10.5%	6,640	9.5%	13,800	9.2%	91.2%	5,377	7.5%	81.0%
Depreciation and amortization	5,090	3.5%	2,660	3.8%	5,610	3.8%	110.2%	2,894	4.0%	108.8%
Amortization of goodwill	153	0.1%	98	0.1%	216	0.1%	141.2%	113	0.2%	115.1%

(Note) We finalized the provisional accounting treatment for the business combination at the end of the consolidated third quarter of the previous fiscal year. Accordingly, the figures for the second quarter of the consolidated fiscal year ended February 2025 reflect significant revisions to the initial allocation of acquisition cost resulting from the finalization of the provisional accounting treatment.

\*: Rent & depreciation costs are the sum of Rent expenses, Lease expenses and Depreciation

Adastria(Non-consolidated) Monthly Sales All Stores YoY



Sales for the Platform, Global, and Brand Retail businesses progressed in line with medium-term plan.

Gross profit margin was lower year on year due to a negative rebound from last year's one-time gains and the clearance of summer inventory.

## Net Sales

**149.3** billion yen (+3.6% YoY)

- Platform Business**

\*before elimination

**6.6** billion yen

External brand participation on the and ST e-commerce platform progressed smoothly; wholesale in line with plan.

- Global Business**

**12.4** billion yen

Asian countries and regions performed solidly and in line with plan; overseas as a whole slightly underperformed plan due to poor performance and withdrawal from the U.S.

- Brand Retail Business**

\*before elimination

**136.7** billion yen

Despite weather difficulties, IP collaborations and staff-produced goods drove performance.

Group companies performed well, particularly ELEMENT RULE.

## Gross profit margin

**55.2%** (-0.5p YoY)

- Negative factors: Negative rebound stemming from one-time gains due to inventory clearance discounts for spring/summer products and changes in last year's point utilization rate
- Positive factors: Increase in sales with the opening of the e-commerce platform and growth in relatively strong margin sales among subsidiaries
- Neutral: Maintained markups despite the weakening yen

**SG&A expenses increased; however, we controlled expense and ratio to net sales within the planned range**

**Operating profit and ordinary profit underperformed plan; net income outperformed plan**

SG&A expense ratio	<b>49.8 %</b> (+1.0p YoY)	
<ul style="list-style-type: none"> <li>Advertising expenses</li> </ul>	<b>3.1 %</b> (+0.4p YoY) (+700 million yen)	We stepped up PR in conjunction with the flagship opening in 1Q, reducing activities in 2Q
<ul style="list-style-type: none"> <li>Personnel</li> </ul>	<b>18.2 %</b> (▲0.1p YoY) (+810 million yen)	Improvement through increased efficiencies, etc.
<ul style="list-style-type: none"> <li>Rent &amp; depreciation</li> </ul>	<b>18.0 %</b> (+0.7p YoY) (+1990 million yen)	New flagship and growth in e-commerce owned by other companies, depreciation of systems, etc.
<ul style="list-style-type: none"> <li>Others</li> </ul>	<b>10.5 %</b> (▲0.0p YoY) (+450 million yen)	The SG&A expense ratio remained under control despite higher credit card fees and small-parcel delivery costs.
Operating profit	<b>7.9 billion yen</b> (-19.4% YoY)	<b>Operating income ratio : 5.3%      EBITDA : 9.2%</b>
Ordinary profit	<b>7.7 billion yen</b> (-24.3% YoY)	<b>Non-Operating income      Foreign exchange loss of 230million yen</b>
Net income	<b>5.9 billion yen</b> (-13.7% YoY)	<b>Extraordinary losses      impairment of store assets of 140million yen</b>

- Consolidated sales of Adastria and and ST HD increased (non-consolidated for Adastria in the previous year); however, profit declined due to worsening gross profit margins and an increase in strategic expenses.
- Domestic subsidiaries showed 6% sales growth in real terms, and 5% growth in real terms for the 2Q stand-alone results. (previous year results include TODAY'S SPECIAL pre-merger; sales ostensibly decreased)
- Roughly 6% year-on-year sales increase on a same-month basis, despite the change in fiscal year-end at zetton, our food and beverage business.

(Millions of yen)

	FY2025/02 1H		FY2026/02 1H					
	Six Months Ended	Three Months Ended	Six Months Ended			Three Months Ended		
				Ratio	YoY		Ratio	YoY
<b>Net Sales</b>	144,203	70,201	149,345	5,141	103.6%	71,880	1,678	102.4%
Adastria(Non-consolidated)*1	115,010	55,196	118,454	3,444	103.0%	56,994	1,798	103.3%
Domestic subsidiaries *2	12,361	6,007	12,576	215	101.7%	5,906	▲ 100	98.3%
Overseas subsidiaries *3	11,953	6,053	12,425	471	103.9%	5,926	▲ 126	97.9%
zetton (Food & Beverage Subsidiary) *4	6,942	3,957	7,958	1,015	114.6%	4,132	174	104.4%
Consolidation adjustment	▲ 2,065	▲ 1,013	▲ 2,070	▲ 4	-	▲ 1,079	▲ 66	-
<b>Operating profit</b>	9,895	3,881	7,973	▲ 1,922	80.6%	2,369	▲ 1,512	61.0%
Adastria(Non-consolidated)*1	9,363	3,521	6,255	▲ 3,107	66.8%	1,631	▲ 1,890	46.3%
Domestic subsidiaries *2	399	▲ 17	838	439	210.2%	125	143	-
Overseas subsidiaries *3	341	310	644	303	188.7%	474	164	153.0%
zetton (Food & Beverage Subsidiary) *4	▲ 173	131	235	409	-	176	45	134.6%
Consolidation adjustment	▲ 35	▲ 64	▲ 1	33	-	▲ 39	25	-

\*1: Figures in FY2025/02 reflect Adastria's performance. Figures in FY2026/02 reflect adjustments for intercompany eliminations between Adastria and and ST Co., Ltd., and are presented on the same basis as FY2025/02

\*2: Domestic subsidiaries are the sum of three subsidiaries FY2025/02 : BUZZWIT Co.,Ltd., ELEMENT RULE Co., Ltd., ADOORLINK Co., Ltd., TODAY'S SPECIAL CO., Ltd. Domestic subsidiaries are the sum of three subsidiaries FY2026/02 : BUZZWIT Co.,Ltd., ELEMENT RULE Co., Ltd., KARRIMOR International Ltd.,

\*3: Overseas subsidiaries (Mainland China, Hong Kong, Taiwan, Thailand, the Philippines, USA), net sales is shown after intercompany eliminations, operating profit is the sum of subsidiaries (Period Jan. to Mar.2025)

\*4: Net Sales and operating profit of zetton, inc. is shown after consolidation adjustments. Due to change in financial year, Feb-Jul (FY2025/02) and Mar-Aug(FY2026/02)



- Overall solid sales in line with plan, despite low temperatures in April and weak performance at GLOBAL WORK and niko and... in July.
- Gross profit margin deteriorated year on year, despite maintaining markups, due to discounts on summer goods and a negative rebound in connection a one-time gain related to last year's change in point usage rates.
- Advertising expenses, as well as flagship store rent and depreciation increased; however, total SG&A expenses were below plan.
- Plan called for lower profit; however, results failed to meet plan due to inability to achieve gross profit target.

(Millions of yen)

	FY2025/02 1H		FY2026/02 1H			
	Six Months Ended	Three Months Ended	Six Months Ended		Three Months Ended	
				YoY		YoY
<b>Net sales</b>	115,010	55,196	118,454	103.0%	56,994	103.3%
(Total stores YoY w/o Wholesale)*	105.5%	106.8%	104.8%	-	104.9%	-
(Same stores YoY)*	103.4%	104.2%	101.0%	-	100.8%	-
<b>Gross profit</b>	62,477	29,376	63,155	101.1%	29,066	98.9%
Gross margin	54.3%	53.2%	53.3%	▲ 1.0p	51.0%	▲ 2.2p
<b>SG&amp;A expenses</b>	53,114	25,854	56,899	107.1%	27,434	106.1%
SG&A ratio	46.2%	46.8%	48.0%	+1.8p	48.1%	+1.3p
<b>Operation profit</b>	9,363	3,521	6,255	66.8%	1,631	46.3%
Operating margin	8.1%	6.4%	5.3%	▲ 2.8p	2.9%	▲ 3.5p
<b>Ordinary profit</b>	10,195	3,925	7,598	74.5%	1,769	45.1%
Ordinary margin	8.9%	7.1%	6.4%	▲ 2.5p	3.1%	▲ 4.0p

\*Based on monthly releases

- **Mainland China** Sales increased and the operating loss significantly narrowed due to strong e-commerce performance.
- **Hong Kong** Sales increased. Profit declined slightly, but remained in line with the plan.
- **Taiwan** Sales and profit increased, along with continued new store openings and brand launches. *and ST* surpassed 1 million members.

- **Thailand** Opened the second store in Q3 of the previous fiscal year, opened the third niko and ... store at the end of March, 2025, resulting in a net increase.
- **The Philippines** Opened the first store in the previous fiscal year.
- **USA** Wholesale business continued to face challenges, resulting in lower sales and profit; decided to sell in July.

(Millions of yen)

	FY2024/12 1H		FY2025/12 1H					
	Six Months Ended	Three Months Ended	Six Months Ended			Three Months Ended		
				YoY (JPY)	YoY (Local currency)		YoY (JPY)	YoY (Local currency)
<b>Net Sales *1</b>	11,953	6,053	12,425	103.9%	106.7%	5,926	97.9%	104.1%
Mainland China	2,148	1,209	2,233	104.0%	107.5%	1,094	90.5%	97.6%
Hong Kong	2,214	1,063	2,272	102.6%	104.8%	1,061	99.8%	108.2%
Taiwan	3,610	1,683	4,259	118.0%	121.5%	2,027	120.4%	124.0%
Thailand	141	63	213	150.6%	146.1%	105	166.0%	171.2%
Phillipines	-	-	67	-	-	31	-	-
USA*2	3,839	2,033	3,378	88.0%	90.2%	1,606	79.0%	84.9%
<b>Operating profit *1</b>	341	310	644	188.7%	196.0%	474	153.0%	150.4%
Mainland China	▲ 286	▲ 92	▲ 75	-	-	▲ 2	-	-
Hong Kong	171	125	137	79.8%	81.5%	98	78.8%	82.1%
Taiwan	706	361	853	120.8%	124.4%	421	116.6%	120.1%
Thailand	▲ 82	▲ 51	▲ 63	-	-	▲ 27	-	-
Phillipines	▲ 10	▲ 10	▲ 33	-	-	▲ 17	-	-
USA*2	▲ 157	▲ 22	▲ 173	-	-	2	-	-

\*1 : Net sales are shown after elimination of internal transactions, Operating profit are shown before elimination.

\*2 : USA does not include the U.S. business of zetton inc.

- **ELEMENT RULE** Sales and profit increased driven by all brands exceeding prior-year sales and improving gross margins.
- **BUZZWIT** Mainstay brands recovered and posted improved profitability; higher sales and profit.
- **zetton** Sales increased by 6% year on year on a same-month basis, adjusted for the fiscal year-end change. Profit increased due to controlled personnel costs through workforce management, despite pressure from rising costs.
- **Adastia** GLOBAL WORK is revising MD for autumn/winter due to the failure of mainstay products to capture the needs of customers. Performance for LOWRYS FARM and studio CLIP and LEPSIM remained strong, while LAKOLE continued store expansion.
- ◆ **Online Business (Domestic)** Domestic online business ratio: 28.3%. (of which Adastia EC site: approx. 14.7%)

		Net Sales (Millions of yen)*						Stores	
		FY2025/02		FY2026/02				End of 2024/08	End of 2025/08
		Six Months Ended	Three Months Ended	Six Months Ended	YoY	Three Months Ended	YoY		
Domestic Subsidiaries	ELLEMENT RULE	6,104	2,913	6,793	111.3%	3,079	105.7%	81	82
	BUZZWIT	5,482	2,445	5,545	101.2%	2,531	103.5%	30	26
	zetton	6,909	3,943	7,919	114.6%	4,114	104.4%	74	75
Adastia	GLOBAL WORK	26,608	12,033	26,094	98.1%	11,549	96.0%	216	222
	niko and ...	17,558	8,965	17,786	101.3%	8,552	95.4%	143	146
	studio CLIP	11,653	6,027	12,169	104.4%	6,273	104.1%	186	188
	LOWRYS FARM	11,614	5,465	12,123	104.4%	5,886	107.7%	125	126
	LEPSIM	7,483	3,659	8,719	116.5%	4,143	113.2%	115	116
	LAKOLE	6,452	3,267	7,281	112.8%	3,742	114.5%	85	96
	BAYFLOW	5,629	2,794	5,545	98.5%	2,708	96.9%	64	63
	JEANASIS	5,609	2,667	5,463	97.4%	2,623	98.4%	69	68

\*Figures is shown after elimination of internal transactions,

- **Inventories** Proper level at 6.8% above one year earlier. KARRIMOR resulting in a net increase.
- **Property, plant and equipment** Increased due to the opening of physical stores.
- **Intangible assets** Increased due to trademarks acquired through M&A, software, etc.
- **Liabilities** Increased due to temporary loans payable from M&A.
- **Net assets** Net asset ratio of 57.7%, +0.2p YoY.

(Millions of yen)

	End of 2024/08		End of 2025/02			End of 2025/08		
		Ratio		Ratio		Ratio	Compared with the end of 2024/08	Compared with the end of 2025/02
Current assets	65,444	49.4%	67,173	50.5%	71,200	51.1%	+5,756	+4,027
Cash and deposits	20,631	15.6%	21,143	15.9%	22,435	16.1%	+1,803	+1,292
Inventories	26,869	20.3%	29,082	21.8%	28,699	20.6%	+1,829	▲ 383
Fixed assets	67,019	50.6%	65,935	49.5%	68,208	48.9%	+1,189	+2,273
Property, plant and equipment	27,090	20.5%	26,864	20.2%	27,533	19.8%	+443	+669
Intangible assets	15,683	11.8%	14,683	11.0%	15,868	11.4%	+185	+1,185
Goodwill	3,337	2.5%	2,673	2.0%	2,765	2.0%	▲ 571	+91
Investments and other assets	24,245	18.3%	24,387	18.3%	24,806	17.8%	+560	+419
Total assets	132,463	100.0%	133,108	100.0%	139,409	100.0%	+6,945	+6,301
Liabilities	56,311	42.5%	55,908	42.0%	58,960	42.3%	+2,648	+3,052
Loans payable	1,101	0.8%	0	0.0%	4,726	3.4%	+3,625	+4,726
Net assets	76,151	57.5%	77,200	58.0%	80,448	57.7%	+4,297	+3,248
Treasury shares	▲ 5,627	▲ 4.2%	▲ 5,627	▲ 4.2%	▲ 6,097	▲ 4.4%	▲ 470	▲ 470

	FY2025/02		FY2026/02 1H				Compared with the end of 2024/08	FY2026/02 Revised Plan				FY2026/02 Initial Plan End of FY2025/02
	End of FY2025/02 1H	End of FY2025/02	Opened	Changed	Closed	End of FY2026/02		Opened	Changed	Closed	End of FY2026/02	
GLOBAL WORK	216	216	7	0	▲ 1	222	6	13	0	▲ 1	228	229
niko and ...	143	145	1	0	0	146	3	2	0	0	147	147
studio CLIP	186	187	1	0	0	188	2	4	0	▲ 2	189	187
LOWRYS FARM	125	125	2	0	▲ 1	126	1	3	0	▲ 1	127	128
LEPSIM	115	115	1	0	0	116	1	6	0	▲ 2	119	120
LAKOLE	85	91	6	0	▲ 1	96	11	10	0	▲ 2	99	102
BAYFLOW	64	62	1	0	0	63	▲ 1	2	0	0	64	64
JEANASIS	69	69	1	0	▲ 2	68	▲ 1	1	0	▲ 2	68	69
Others *1	279	270	10	23	▲ 6	297	18	19	23	▲ 26	286	278
Adastria non-consolidated total (Online store included)	1,282 (65)	1,280 (65)	30 (0)	23 (3)	▲ 11 (▲ 3)	1,322 (65)	40 (0)	60 (0)	23 (3)	▲ 36 (▲ 3)	1,327 (65)	1,324 (69)
Domestic subsidiaries total *2 (Online store included)	147 (60)	135 (48)	9 (1)	▲ 20 (0)	▲ 4 (▲ 3)	120 (46)	▲ 27 (▲ 14)	14 (4)	▲ 20 (0)	▲ 4 (▲ 3)	125 (49)	119 (45)
Japan total (Online store included)	1,429 (125)	1,415 (113)	39 (1)	3 (3)	▲ 15 (▲ 6)	1,442 (111)	13 (▲ 14)	74 (4)	3 (3)	▲ 40 (▲ 6)	1,452 (114)	1,443 (114)
Mainland China	14	14	1	0	▲ 1	14	0	4	0	▲ 1	17	17
Hong Kong	28	29	2	0	0	31	3	4	0	▲ 2	31	32
Taiwan	73	81	12	0	▲ 2	91	18	19	0	▲ 2	98	103
Thailand	2	3	1	0	0	4	2	2	0	0	5	5
Philippines	-	1	0	0	0	1	1	0	0	0	1	5
USA *3	10	11	1	0	▲ 1	11	1	1	▲ 11	▲ 1	0	11
Oversea total (Online store included)	127 (27)	139 (28)	17 (0)	0 (0)	▲ 4 (▲ 2)	152 (26)	25 (▲ 1)	30 (0)	▲ 11 (▲ 1)	▲ 6 (▲ 2)	151 (25)	173 (30)
Zetton	74	76	2	0	▲ 3	75	1	3	0	▲ 5	74	76
Consolidated total (Online store included)	1,630 (152)	1,630 (141)	58 (1)	3 (3)	▲ 22 (▲ 8)	1,669 (137)	39 (▲ 15)	107 (4)	▲ 8 (2)	▲ 51 (▲ 8)	1,678 (139)	1,692 (144)

FY2026/2 1<sup>st</sup> Half 20 remodeled stores in the consolidated group.

\*1 : Stores of TODAY'S SPEACIAL CO., Ltd. which had been included in the total of domestic subsidiaries until FY2025/02, will be included in "Others"

\*2 : Starting in FY2026/02 1Q, 3 stores of KARRIMOR which was acquired were listed under "Changed"

\*3 : The "Changed" in the revised plan for USA is due to the withdrawal from the USA. business.

## ■ No change from the initial forecast announced at April 25

- We expect to record an extraordinary loss of roughly 500 million yen from the sale of the U.S. business in 3Q, and an extraordinary gain of roughly 3.4 billion yen from the sale of the Fukuoka Distribution Center this fiscal year.
- We plan to terminate FOUND GOOD wholesales and the FOREVER21 business during this fiscal year; impact on business performance should be immaterial.
- Impact of embezzlement by a former group company employee was immaterial.

(Millions of yen)

	FY2025/02 Results	FY2026/02 Forecast	YoY
Net sales	293,110	305,000	104.1%
Gross profit	160,282	170,000	106.1%
Gross profit margin	54.7%	55.7%	+1.0p
SG&A expenses	144,771	151,000	104.3%
SG&A expenses ratio	49.4%	49.5%	+0.1p
Operating profit	15,510	19,000	122.5%
Operating margin	5.3%	6.2%	+0.9p
Ordinary profit	15,964	19,000	119.0%
Ordinary income margin	5.4%	6.2%	+0.8p
Net income attributable to owners of the parent	9,614	12,400	129.0%
Ratio of net income attributable to owners of the parent	3.3%	4.1%	+0.8p
ROE	13.1%	15.3%	+2.2p
EBITDA	26,692	30,260	113.4%
Depreciation and amortization	10,785	10,850	100.6%
Amortization of goodwill	395	410	103.8%

- No change in performance forecasts as results should be in the same range as previous-year's results; excluding the impact of the split and conversion of and ST to a holdings company

**Adastria (Non-Consolidated) + and ST Co., Ltd. + and ST HD + Intercompany Adjustments  
(Reflecting the Impact of and ST Business Split and Conversion to Holdings Company)**

(Millions of yen)

	FY2025/02 Results	FY2026/02 Forecast	
			YoY
Net Sales	231,464	244,500	105.6%
Gross profit	122,637	134,500	109.7%
Gross margin	53.0%	55.0%	+2.0p
SG&A expenses	108,330	118,300	109.2%
SG&A ratio	46.8%	48.4%	+1.6p
Operating profit	14,306	16,200	113.2%
Operating margin	6.2%	6.6%	+0.4p
Ordinary profit	15,342	16,500	107.5%
Ordinary margin	6.6%	6.7%	+0.1p

### Second Half Direction

- Transitioned to a holding company structure on September 1 to better leverage the strengths of each group company.
- Accelerating growth of other established brands and Group companies, while working to restore mainstay brands.
- Planning to use the experience of the previous fiscal year to identify hot-selling items and have sufficient inventory for the fall/winter sales season.

Performance struggled due to the extended summer heat in the first half of September, progressing solidly beginning in late September when temperatures dropped.

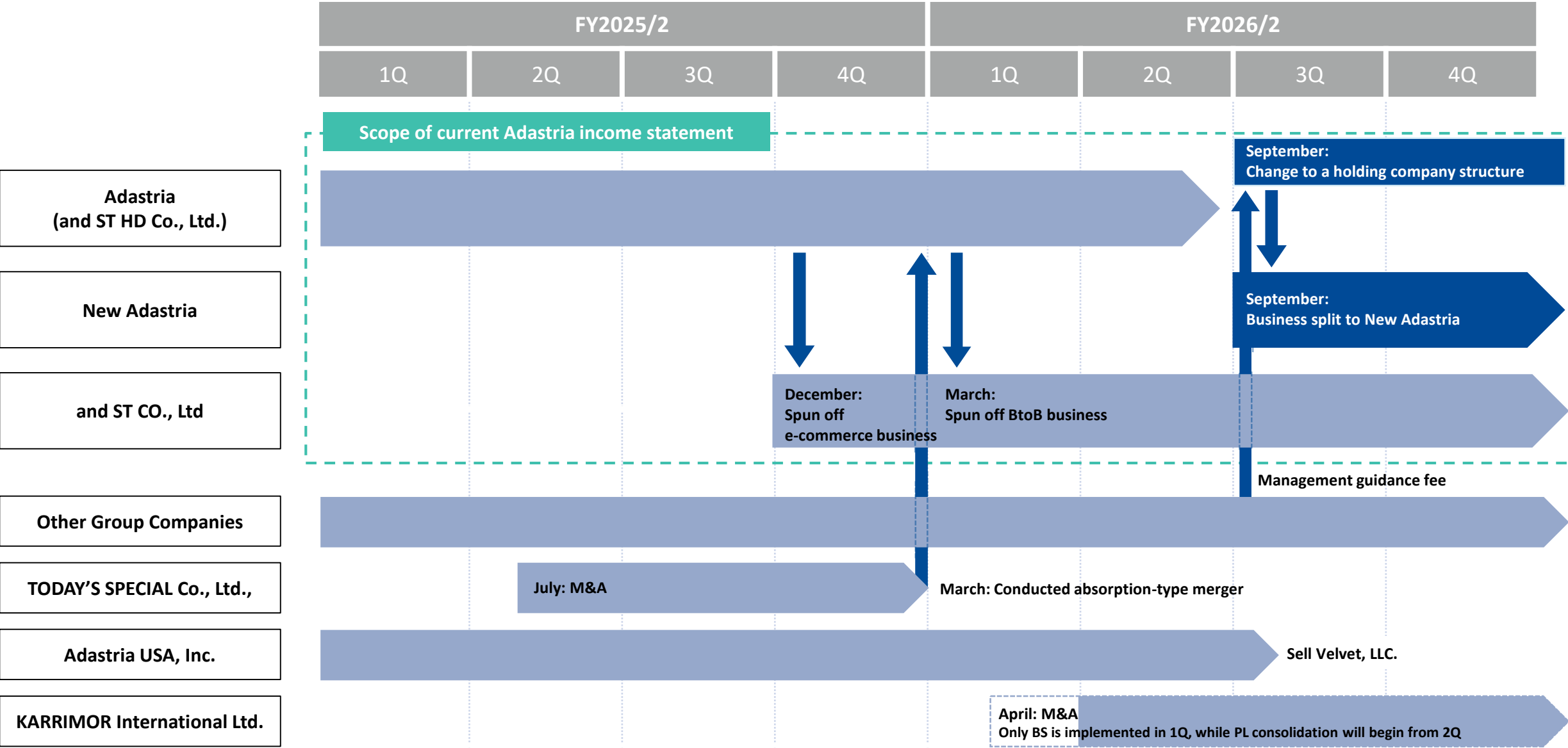
### External Environment

- In the first half, the weak yen continued to impact foreign exchange forward contracts year on year; however, forecasts call for a stronger yen in the second half of the year.
- Not much room for price increases; however, the negative impact of inflation on consumption in the fashion market was limited.



Changes in the Reporting Scope by Company and Business

andSTHD



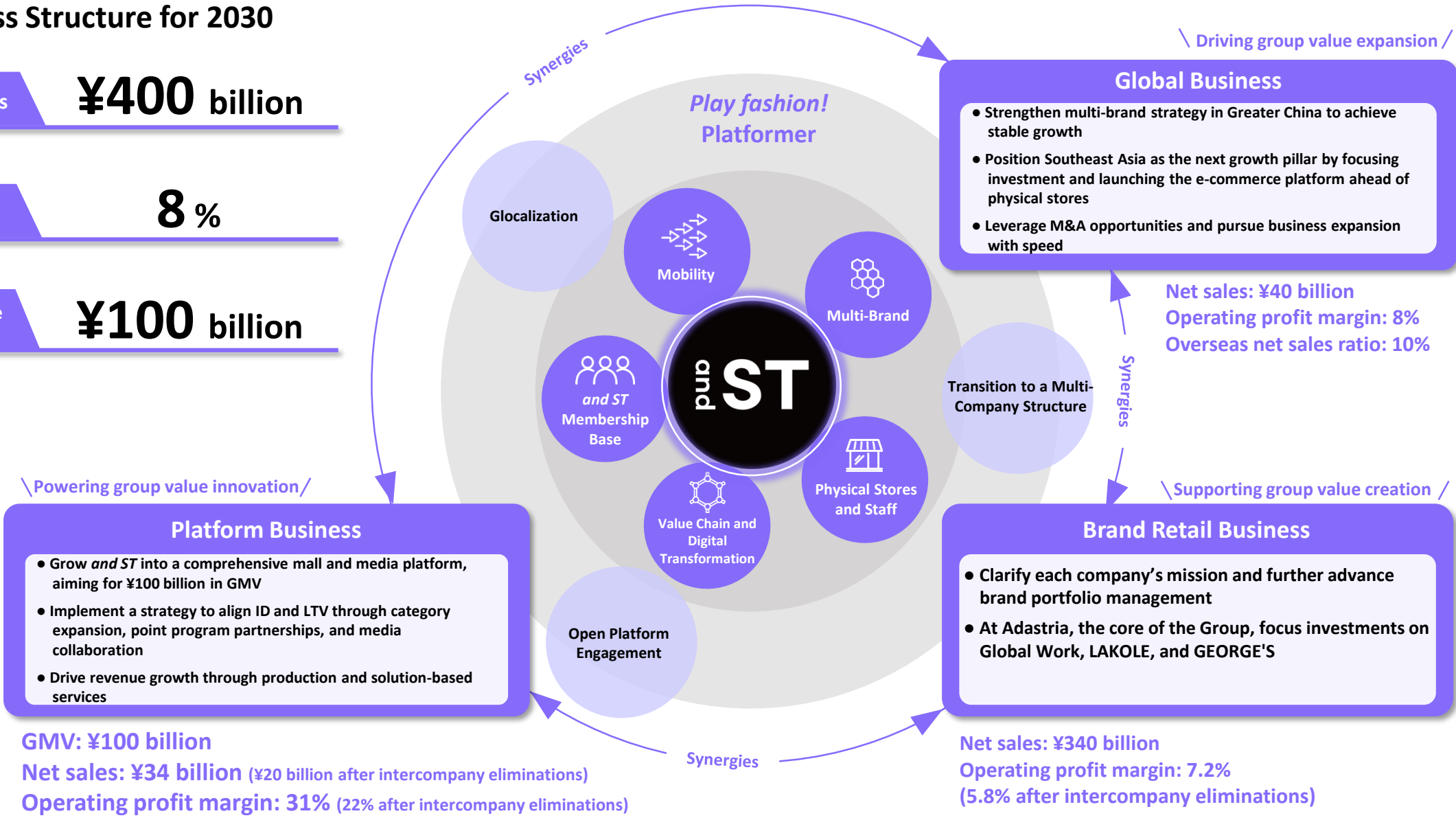
## 2. Medium-Term Management Plan Progress

Target Business Structure for 2030

Consolidated Net Sales **¥400 billion**

Consolidated Operating Profit Margin **8 %**

Gross Merchandise Value (GMV) **¥100 billion**



## Platform Business

- Increase in the number of companies participating in the open platform (EC mall business), exceeding plan.
- Flagship store and ST TOKYO performing well; collaborating actively with companies participating open platform.

## Global Business

- Completed withdrawal from the U.S. market; began developing markets in Southeast Asia, a priority area.
- Performing favorably in Hong Kong and Taiwan; Mainland China on pace to outperform plan.

## Brand Retail Business

- GLOBAL WORK results have been sluggish, but the brand aims to recover by increasing the ratio of quick-response production beginning autumn/winter, strengthening product mix with a clean and trendy look, while revising entry prices.
- Large-scale brand LOWRY'S FARM is on track for renewed growth; focus brands LAKOLE and GEORGE'S continue to open new stores at a steady pace.
- ELEMENT RULE leveraged high-value-added products to see growth in the number of stores and sales per store.

■ External brand participation exceed plan under the shift to an open e-commerce marketplace model



Active members 7.6 million members  
(+0.1million more than at the end of FY2025/02)



■ New participating brands to be announced in mid-October

■ and ST GMV exceeded plan

and ST GMV

(1<sup>st</sup> half six months)

22.3 billions yen

(+15.5% YoY)

Group Brand Sales

Ratio

20.2 billions yen

(+6.6% YoY)

90.6%

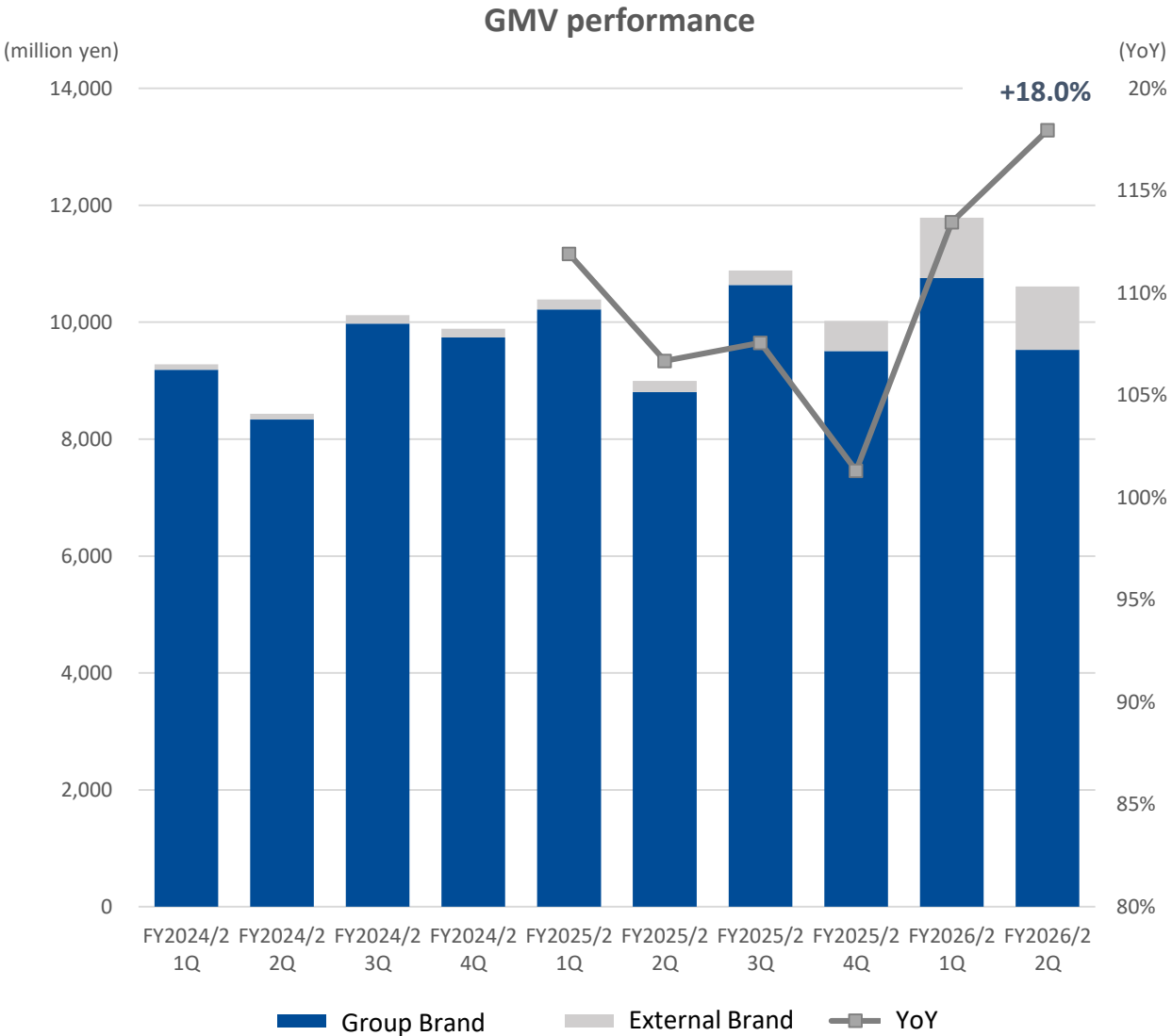
External Brand Sales

Ratio

2.1 billions yen

(+489.9% YoY)

9.4%





## ■ Pop-up store in the flagship and ST TOKYO location for brands participating in the and ST open platform

- Leveraging the and ST HD Group strengths, we have created new customer contact points in real-world and online channels, which have well-received by participating companies



Cath Kidston



PAUL&JOE



KiU



Ocean Pacific



kappa

## ■ We launched Rakuten ID integration on September 16; offering the first triple points in the industry

- First in the industry! *and ST* members earn and use points across three programs online and in-store; first triple-points offer in the industry.
- Maximizing member benefits to increase the value of *and ST* points and customer LTV.

3つのポイントが全部使える、貯まる。



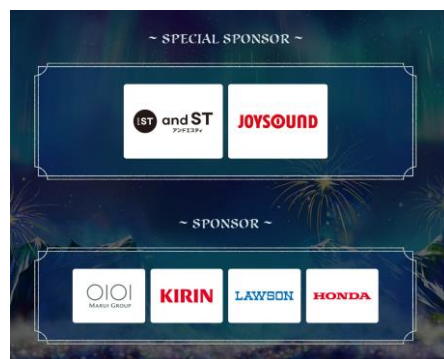
2025.9.16 **START**

## ■ Collaboration with Mrs. GREEN APPLE

- *and ST* collaboration with Mrs. GREEN APPLE to celebrate the band's 10th anniversary.
- Collaboration sunglasses sold through *and ST* in July; Special sales corner set up at the flagship and ST TOKYO.



Sponsoring the 10th Anniversary Live Event





■ More staff participating in STAFF BOARD becoming influencers

- Training and analytical tools resulting in a significant increase in STAFF BOARD participation, staff with more than 10,000 followers.
- Items for each brand produced by popular staff continue to do well.

	2019.2	2023.02	2024.02	2025.02
STAFF BOARD participants	449	3,990	4,098	4,485
More than 100,000 followers	0	5	11	21
More than 50,000 followers	0	8	13	22
More than 10,000 followers	11	63	74	130
Total number of followers	0.48 million	5.73 million	10.35 million	13.22 million

\*The figures for 2025.2 include 67 participants from outside our Group.  
\*SNS Followers : Total of followers on STAFF BOARD, Instagram, TikTok, YouTube, and other social media.



## ■ Accelerating the opening of LAKOLE stores in Taiwan

- Lifestyle brand LAKOLE opened a first-ever overseas brick-and-mortar store in Taiwan in March; store performing well.
- Four new stores scheduled for the current fiscal year; aiming to expand overseas in other regions and countries in Asia.



## ■ First-ever studio CLIP store in Hong Kong; multi-brand strategy continues to advance

- Opened a first-ever store in Hong Kong (Tsuen Wan Plaza) in April, after strong online sales in Hong Kong since making the online store available in the fall of last year.

## ■ Strong sales in mainland China

- Growth via shift from dominant strategy centered flagships to a cross-channel strategy linking standard stores and e-commerce.



Hong Kong : 1st studio CLIP store Tsuen Wan Plaza



## ■ GLOBAL WORK in Thailand and Malaysia; expansion in Southeast Asia

- First-ever GLOBAL WORK store in Thailand (Nonthaburi) in July; Nonthaburi is the northern gateway to Bangkok.
- Began test marketing in Malaysia.
- Store wrapping using key visuals tailored to local customers overseas to gain recognition as a Tokyo brand.



Malaysia : LaLaPort BBCC



Thailand : 1<sup>st</sup> GLOBAL WORK store



## ■ LOWRYS FARM posted record-level sales under new initiatives

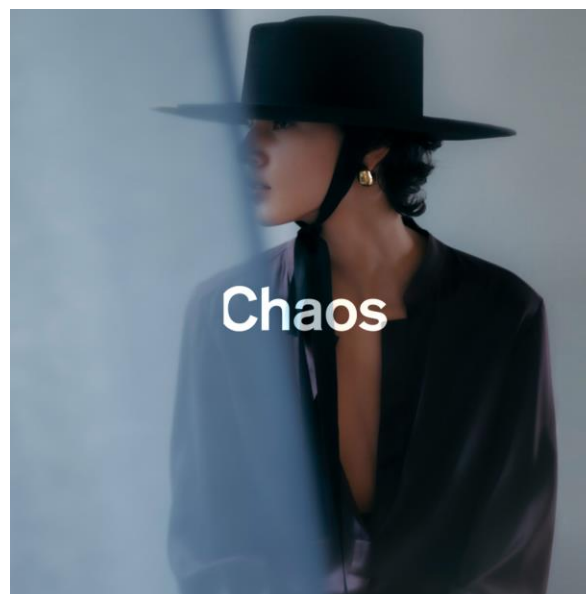
- Refreshed the brand concept to kawaii, encompassing the characteristics of cute, cool, and smart.
- Well-received character and IP collaborations; successful more+me campaign produced by popular staff members.
- Unisex line LFM(U) launch in autumn/winter.





## ■ ELEMENT RULE maintained strong performance; net sales up 11.3%

- Sales of all five brands rose, exceeding plan.
- In particular, Curenology and Chaos, high-end brands in our portfolio, are performing well; BRILL, a new brand, continues to open new stores.
- Strengthened original products, focusing on quality and strengthening branding, leading to price discount control and improved gross profit margins.
- Fostering in-house influencers to acquire fans; implemented cross-brand e-commerce initiatives, with an e-commerce reservation rate of approximately 25%.



## ■ Establishing a global value chain to achieve Medium-Term Management Plan 2030

- Controlling logistics costs through DX and detailed operations review, from upstream to downstream, to achieve overall value chain optimization.
  - Planning to implement reorganization of seven locations in six areas at present as we expand logistics capacity to support scale, including the *and ST* open platform, and mechanize/streamline warehouse operations to address the coming labor shortages.
  - Planning to establish new e-commerce distribution center in 2027 to scale logistics capacity for platform business expansion.
- 
- July 2025      Began mechanization of retail store logistics at the Joso Distribution Center
  - August 2025    New Nishinomiya North DC (mechanization scheduled to be completed in July 2026)
  - FY2026/02      Sale of Fukuoka DC
  - May 2027      New e-commerce distribution center (tentative)



Mechanization at the Joso Distribution Center



Nishinomiya Distribution Center (new)

## ■ Launch of apparel logistics study group, studying potential for joint deliveries

## ■ Revised sustainability statement, new human rights and environmental policies

- The and ST HD Group declared our corporate stance and intentions regarding sustainability.
- Developed a value chain-wide approach to the environment and human rights in accordance with global standards; now pursuing initiatives to address issues.

## ■ New target for percentage of women in management positions

- Established a new 2030 target the percentage of women in management positions in the and ST HD Group; expanding the scope to include domestic and international group entities; updated to even more aspirational targets



### New Targets for the and ST HD Group in Japan and Overseas

## andSTHD

By the fiscal year ended February 2030



Percentage of senior managers

30%



Percentage in management positions

50%

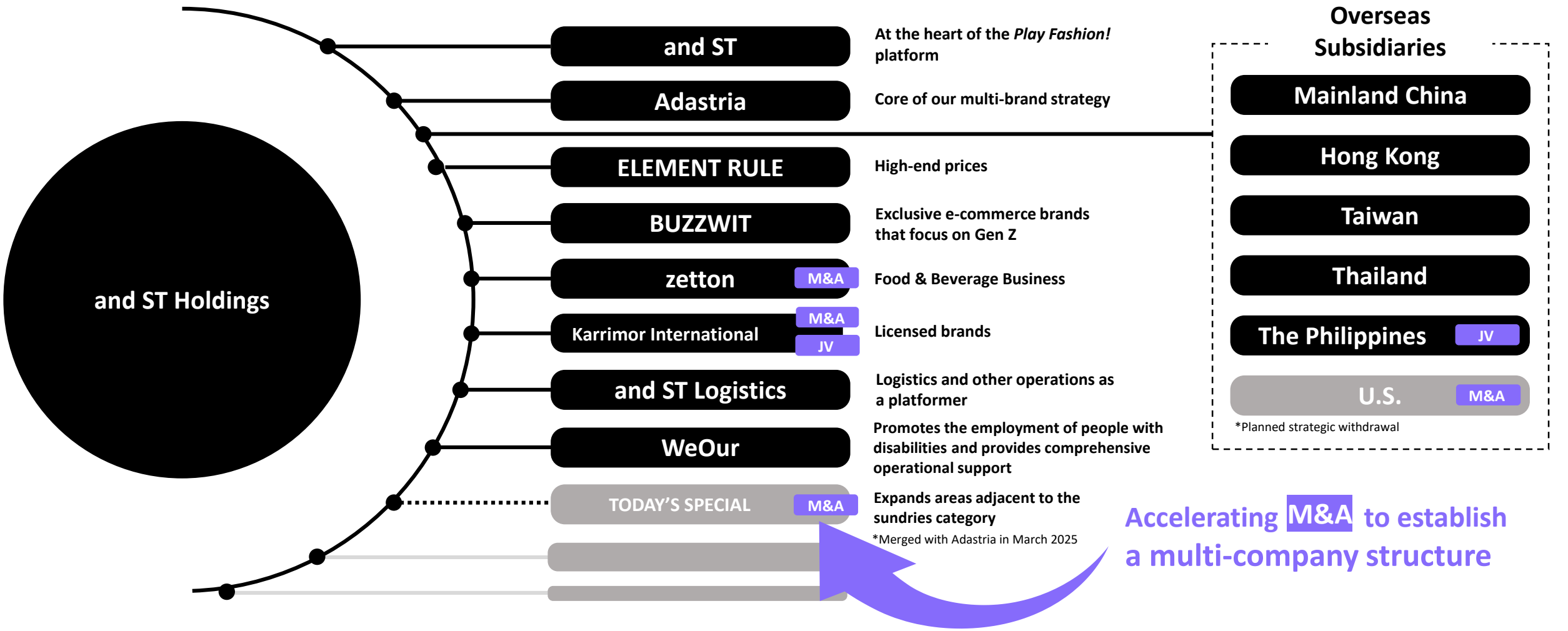
URL for viewing the sustainability statement  
<https://www.andst-hd.co.jp/English/sustainability/>

- First integrated report published as and ST HD;
- In line with the Medium-Term Management Plan 2030 theme, Connect and Expand, the report includes interviews with partner companies participating in and ST, open discussions by directors, and other information useful for understanding the and ST HD Group.





■ On September 1, 2025, the Company changed names to and ST HD Co., Ltd., completing the transition to a holding structure. We aim to enhance corporate value further by leveraging the strengths of each Group company.



## **Explanation on the appropriate use of performance forecasts**

**The forward-looking statements in this document, including performance forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable.**

## **Other Notes**

**Figures in the materials are rounded down to the nearest million yen, and percentages are calculated from the original data.**

*Play fashion!*