



## Consolidated Financial Results [Japanese GAAP] for the Fiscal Year Ending January 20, 2025

Takasho Co., Ltd.	March 3, 2025
Stock code: 7590	Stock Exchange Listing: Tokyo
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Scheduled date to submit statutory annual financial report:	14-Apr-25
Scheduled date to hold annual general meeting of shareholders:	9-Apr-25
Scheduled date to commence dividend payments:	10-Apr-25
Availability of supplementary explanatory material on annual financial results:	Yes
Annual results briefing:	Yes (Only for institutional investors and analysts)

*This is a translation of the original release in Japanese. In the event of any discrepancy, the original release in Japanese shall prevail.*

*\*Figures are rounded down to the nearest million yen, except share and per share data*

*\* “%” indicates year-on-year changes from the previous corresponding quarter*

### 1. Consolidated Financial Results for the Fiscal Year Ended January 20, 2025 (From January 21, 2024, to January 20, 2025)

#### (1) Consolidated Operating Results (Cumulative)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2025 (12 months ended January 20, 2025)	19,890	2.5	△ 150	—	83	△ 66.5	△ 242	—
FY2024 (12 months ended January 20, 2024)	19,411	△ 4.6	△108	—	250	△ 74.5	△ 75	—

(Reference) Comprehensive income:

FY2025 (12 months ended January 20, 2025): 340 million yen ( — % )

FY2024 (12 months ended January 20, 2024): △1 million yen ( — % )

	Basic earnings per share	Diluted earnings per share	Return on Equity (ROE)	Ratio of ordinary income to total assets	Ratio of operating income to net sales
	Yen	Yen	%	%	%
FY2025 (12 months ended January 20, 2025)	△14.41	—	△1.9	0.4	△0.8
FY2024 (12 months ended January 20, 2024)	△4.45	—	△0.6	1.1	△0.6

(Reference) Investment earnings/loss on equity-method:

FY2025 (12 months ended January 20, 2025): N/A

FY2024 (12 months ended January 20, 2024): N/A

**(2) Consolidated Financial Position**

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2025 (As of January 20, 2025)	23,814	12,756	53.0	748.41
FY2024 (As of January 20, 2024)	23,134	12,499	53.5	734.15

(Reference) Shareholders' equity:

FY2025 (As of January 20, 2025): 12,617 million yen

FY2024 (As of January 20, 2024): 12,376 million yen

**(3) Consolidated Results of Cash Flows**

	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Cash and cash equivalents at the end of period
	Million yen	Million yen	Million yen	Million yen
FY2025 (12 months ended January 20, 2025)	△266	△884	599	3,432
FY2024 (12 months ended January 20, 2024)	1,132	△599	△701	3,796

**2. Dividends**

	Annual cash dividends per share					Total dividend (Total)	Dividend payout ratio (Consolidated)	Rate of total dividend to net assets (Consolidated)
	1Q	2Q	3Q	Year-end	Total			
	Yen	Yen	Yen	Yen	Yen	Million yen	%	%
FY2024 (12 months ended January 20, 2024)	—	0.00	—	5.00	5.00	84	—	0.7
FY2025 (12 months ended January 20, 2025)	—	0.00	—	5.00	5.00	84	—	0.7
FY2026 (12 months ending January 20, 2026) (forecast)	—	0.00	—	5.00	5.00		69.1	

**3. Forecast for the Fiscal Year Ending January 20, 2026 (From Jan. 21, 2025, to Jan. 20, 2026)**

	Net sales		Operating Income		Ordinary Income		Net income attributable to owners of the parent company		Basic Earnings Per Share
	Million yen	%	Million yen	%	Million yen	%	Million yen	%	Yen
FY2026 (full year)	21,736	9.3	308	—	405	383.4	122	—	7.24

※ Notes

**(1) Changes in Significant Subsidiaries during the Current Fiscal Year**

Changes in specified subsidiaries that caused a change in the scope of consolidation: None

Newly included companies: None

Newly excluded companies: None

**(2) Changes in Accounting Policies and Accounting Estimates**

(i) Changes in accounting policies as required by newly promulgated account pronouncement: None

(ii) Changes other than (i) above: None

(iii) Changes in accounting estimates: None

(iv) Restatement: None

**(3) Number of Shares Outstanding (Ordinary Shares)**

	FY2025 (As of Jan. 20, 2025)	FY2024 (As of Jan.20, 2024)
Number of shares outstanding at end of period (Treasury shares included)	17,590,114	17,590,114
Number of treasury shares at end of period	731,661	731,658
	FY2025 (From Jan.21, 2024, to Jan.20, 2025)	FY2024 (From Jan.21,2023, to Jan.20, 2024)
Average number of shares during period	16,858,454	16,995,819

**(Reference)**

**Summary of Non-Consolidated Financial Results for the Fiscal Year Ended January 20, 2025**

**(From January 21, 2024, to January 20, 2025)**

**(1) Non-Consolidated Operating Results**

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
FY2025 (12 months ended January 20, 2025)	15,395	△1.3	124	3.9	34	—	33	—
FY2024 (12 months ended January 20, 2024)	15,594	△6.1	120	△80.7	△126	—	△424	—

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
FY2025 (12 months ended January 20, 2025)	1.98	—
FY2024 (12 months ended January 20, 2024)	△25.00	—

**(2) Non-Consolidated Financial Position**

	Total assets	Net assets	Shareholders' equity ratio	Net assets per share
	Million yen	Million yen	%	Yen
FY2025 (As of January 20, 2025)	15,313	6,326	41.3	375.26
FY2024 (As of January 20, 2024)	15,312	6,389	41.7	379.02

(Reference) Shareholders' equity:

FY2025 (As of January 20, 2025): 6,326 million yen

FY2024 (As of January 20, 2024): 6,389 million yen

\* This annual financial results report is out scope of the annual audit by a certified public accountant nor audit firm.

\* Explanation on appropriate use of performance forecasts and other special notes.

The performance forecast described in this report are based on information that is available to the Group, as well as certain assumptions and estimates that are deemed to be reasonable, and we make no assurance that such descriptions prove to be correct. Actual figures may significantly differ due to various factors. For information regarding the forecast of consolidated financial results, due attention should be paid to "Explanation of Forward-Looking Statements" on page 7 of the attached documents.

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## 1. Status of the Group

### (1) Business Overview and Results for the Current Fiscal Year

From the perspective of the SDGs, we are working to reduce environmental burden and realize a sustainable future by promoting sustainable lifestyles by garden space. The garden and exterior industry, to which our group belong, also continued to face difficult business situations, as the number of new housing construction declined due to the profound influence of soaring raw material prices.

Against these headwinds, refurbishment and transformative investments by commercial facilities, hotels, Japanese-style inns, temples and shrines are on the rise, partially in pursuits of carbon dioxide absorption, offering oasis of greenery with great healing power, and inbound tourism attractions. As a result, the non-residential contract (such as public and commercial facilities) is growing at 130% year-on-year. Renovations and remodeling of gardens and exteriors have begun to take off.

In the sales promotion section within the pro-use segment, leveraging our state-of-the-art technologies, GLD-LAB CO., LTD., our group's subsidiary, further promoted software solution services which propose realistic post-construction images through 3D perspective, video, VR, etc., Also, first in the exterior industry, it was featured on BIMobject, a BIM content platform, etc. In addition, it has been launched "EXVIZ", high-resolution architectural CG perspective.

In the manufacturing section within the pro-use segment, FOSHAN SOUTH TAKASHO DIGITEC CO., LTD. (Foshan, China. Hereafter referred to as "DIGITEC China"), which is new cornerstone for manufacturing LED outdoor lighting and signs for TAKASHO DIGITEC CO., LTD. (hereafter referred to as "DIGITEC"), completed construction of a new plant of approximately 10,000 m<sup>2</sup> and established a manufacturing system for the world. In addition, reputed for its technologies and mystical creations, DIGITEC strengthen sales promotion through a technical alliance with Drone Show Japan, Inc.

In domestic manufacturing, a production system to enhance efficiency was put into operation to improve productivity.

In the home-use segment, the home improvement market recovery from the negative drop against COVID-19 bubble has been running behind schedule. On the other hand, sales by Aoyama Garden, a direct sales e-commerce website which has been integrated with the Group from FY2025, increased by 136%YoY and the number of orders received increased by170%.

As for the overseas segment, although market recovery in the U.S. has been slower than expected, stock overload and stock adjustments at our retail subsidiaries have been subsided. We strengthened our sales by expanding the number of business partners and introducing new products. Notably, in the U.K., sales tremendously grew as much as by 162%.

Innovation is our heritage and at the heart of our vision "Always Ahead of Changes, Bringing Innovation and Create New Values; Towards the One and Only Global Enterprise."

Ever since our establishment, nurturing great urban environment and gardening culture is what we do. With our passion for innovation, at this juncture, we have been pioneering clean-energy products and solutions which integrate sustainability into gardening life.

As society has been taking a transformational shift to low-carbon and resource-smart products, we have determined to accelerate the ambitions commitments and foster the initiative-taking efforts in our journey towards ESG and SDGs excellence. We believe ESG is embedded into our business itself, i.e., the promotion of our products directly leads to the solution to or mitigation of environmental and social problems.

As detailed later, we are continuously pioneering products and solutions that help customers make more sustainable choices every day. For example, our Eco Garden (3R: Recycle, Reduce, Reuse) ensures sustainable consumption and production patterns. Especially, since customers can virtually experience quasi-real feelings at our DX-enabled showroom, namely, a resource-smart customer experience, we do not need to produce waste (Reduce waste in advance); produce only high quality products that can be cherished for a long time. Of course, this DX is also introduced into our product development and manufacturing phases; resulting in enhanced quality, shortened time to market and transforming factories and workplaces into more energy-operational efficient ones.

Based in Wakayama, Japan, with operations across the world, we are powered by approximately 500 dedicated and talented employees.

As for the human resource development, our employees are precious human capital, and we will continue to nurture them toward "all-engagement, diversity & Inclusion" working environment and culture.

As such, business performance for the FY2025 has been resulted in as follows.

**FY2025 Highlight (January 21, 2024, to January 20, 2025)**

	FY2025 (JPY MN)	FY2024 (JPY MN)	Increase or Decrease (JPY MN)	YoY Comparison (%)
Revenue	19,890	19,411	478	102.5
Operating income	△150	△108	△41	—
Ordinary income	83	250	△166	33.5
Net loss attributable to owners of the parent	△242	△75	△167	—

**<Pro-use segment>**

The sales of Pro-use accounted for 70% of our total sales, resulting in JPY13,838 million (YoY 104.2% growth).

In residential segment, the market environment has become more severe with the number of new housings started in 2024 falling below 800,000 units. Nonetheless, we have our own factory in Japan, which enables flexible “mass customization” tailored to each customer’s order. In this style we are also successful in upselling and cross selling, by comprehensively proposing "Facade Exterior & Living Garden" lifestyle through abundance of color variation tailored to each customers’ aesthetics sense, tastes, and interests.

Also, leveraging our state-of-the-art technologies, GLD-LAB CO., LTD., our group’s subsidiary, further promoted software solution services which propose realistic post-construction images through 3D perspective, video, VR, etc. A new sales model based on the integration of hardware and software is becoming more widespread, and future growth is expected. In addition, we conducted original research and development of digital technology to promote DX throughout the Group.

The non-residential contract (such as public and commercial facilities) is growing at 130% year-on-year. In July, an urban-style showroom has been launched adjacent to Shinagawa Station, and we created new business opportunities through previews and seminars, welcoming more visitors than expected. In 2025, we will reorganize our organization to focus on the non-residential sector and establish a foundation for sustainable growth by responding flexibly to changing business environment.

**Pro-use segment Highlight (January 21, 2024, to January 20, 2025)**

	FY2025 (JPY MN)	FY2024 (JPY MN)	Increase or Decrease (JPY MN)	YoY Comparison (%)
Revenue	13,838	13,277	561	104.2

On the other hand, DIGITEC, our consolidated subsidiary, assiduously and tactfully promoted LED sign and lightening/illumination business. Not only its focus on innovation, sustainability, energy-efficient product design and craftsmanship, but also with its unique promotional initiatives and agile cooperation with our landscape building material team, DIGITEC is on growth track, increasing transactions with non-housing fields (such as public and commercial facilities).

For this FY2025, DIGITEC achieved 124% YoY growth.

DIGITEC is working to realize a sustainable society and create new value through community contributions, technological innovation, and design proliferation by developing new lighting designs, signing alliances to expand the possibilities of lighting production, and introducing new products from world-class lighting brands.

<Home-use segment>

Sales by home-use segment have decreased (YoY 87.6%). While bad and extreme weather conditions slowed demand for seasonal products (shades, greenhouses, etc.), cost-push inflation and the yen's depreciation, which drove up the prices of imported goods, led consumers to curb their spending.

In order to neutralize negative factors such as a change in consumer purchasing behavior at home centers, and decreased customer attraction at large retail stores, we strengthened web marketing and revised selling price for large retail stores.

**Home-use segment Highlight (January 21, 2024, to January 20, 2025)**

	FY2025 (JPY MN)	FY2024 (JPY MN)	Increase or Decrease (JPY MN)	YoY Comparison (%)
Revenue	4,047	4,620	△572	87.6

<Overseas segment>

In U.S., customer attractions at home centers and garden centers have been recovering, and we could overcome the tenacious stock adjustments caused by our retail partners' stock overload and corresponding delivery adjustment.

In Europe, although people have been still refrained from buying due to the soaring inflation in energies and necessities, sales are in the convalescent stage, bottoming out the V curve due to the implementation of price revisions, increased demand in certain categories, and strengthened sales channels.

Overall, the overseas business achieved 132.6% YoY growth.

Especially in U.S., surging demand for Gardening & Exterior has raised the average expenditure for lawn care and horticultural activities. Also, people, especially young generation, are convinced of the importance and necessity of gardening out of growing consciousness for health and cost; at the face of inflation in fruit and vegetables, they are self-sufficient and self-reliant in growing their own food.

Also, as we further fostered our effort and boost overseas business by horizontally roll-out our success model in Australian market to U.S. market, orders received in the U.S. increased, up 197% YoY.

**Overseas segment Highlight (January 21, 2024, to January 20, 2025)**

	FY2025 (JPY MN)	FY2024 (JPY MN)	Increase or Decrease (JPY MN)	YoY Comparison (%)
Revenue	1,943	1,465	478	132.6

**Gross margin and operating income etc.**

Gross margin has decreased by 0.7 points. To turn around stagnant inventories at overseas sales subsidiaries, we implemented a discounted sale, and comparatively high-cost inventories, caused by price increase in freights and materials, were included in the calculation of cost of goods for sold (COGS), and lowered gross profit margin accordingly.

Sales and administrative costs have increased, since, to enhance our brand value and fuel future growth, we increased production costs associated with development of DX tools to expand sales. Also, freight costs associated with growing sales on the Amazon Market Place increased accordingly.

Other up-front investments in the value creation levers, such as CAPEX and recruiting for higher productivities, are also added to sales and administrative costs. As a result, operating income has decreased.

Ordinary income has decreased. The foreign exchange gain (166 million yen) was not sufficient to compensate for the decreased operating income.

Net income attributable to shareholders of the parent company has decreased, because the income tax burden was at the same level as the previous year. We recorded a fire loss of 87 million yen due to a fire that occurred at Tokyo Sales Office on August 7, 2024, but recorded insurance income of 146 million yen corresponding to the fire.



## **Our Mission, SDGs Initiatives and Human Development**

Passion for our company's establishment was "Heart and Art", which has never been changed nor forgotten ever since. Underpinned with our passion and mission, we have a long history of and reputation for designed gardening and innovation, inspired by traditional Japanese aesthetics (such as wabi-sabi, elegance and refinement) and British garden cultures etc., integrating the beauty of nature into daily lives and spiritual values.

As society has been taking a transformational shift to low-carbon and resource-smart products, we have determined to accelerate the ambitions commitments and foster the proactive efforts in our journey towards ESG and SDGs excellence. We believe ESG is embedded into our business itself, i.e., the promotion of our products directly leads to the solution or mitigation of environmental and social problems.

As detailed later, we are continuously pioneering products and solutions that help customers make more sustainable choices every day. For example, our Eco Garden (3R: Recycle, Reduce, Reuse) ensures sustainable consumption and production patterns. Especially, since customers can virtually experience quasi-real feelings at our DX-enabled showroom, namely, a resource-smart customer experience, we don't need to produce waste (Reduce waste in advance); produce only high quality products that will be able be cherished for a long time. Of course, this DX is also introduced into our product development and manufacturing phases; resulting in enhanced quality, shortened time to market and transforming factories and workplaces into more energy-operational efficient ones.

Based in Wakayama, Japan, with operations across the world, we are powered by approximately 500 dedicated and talented employees.

As for the human resource development, our employees are precious human capital, and we will continue to nurture them toward "all-engagement, diversity & Inclusion" working environment and culture.

## **(2) Explanation on the Financial Position**

### **1) Status of Assets, Liabilities, and Net assets**

#### **(Assets)**

Total assets as of FY2025 end amounted to ¥23,814,678 thousand, an increase of ¥680,122 thousand from FY2024 end.

#### 1. Current assets

Current assets amounted to ¥15,125,705 thousand as of FY2025 end, an increase of ¥449,361 from FY2024 end, which is mainly derived from an increase of ¥310,156 thousand in note receivable, account receivable and contract assets, and an increase of ¥245,228 thousand in other current asset, partially offset by a decrease of ¥325,340 thousand in merchandise and finished goods, and a decrease of ¥146,854 thousand in cash and deposits.

#### 2. Non-current assets

Non-current assets amounted to ¥8,688,973 thousand as of FY2025 end, an increase of ¥230,761 thousand from FY2024 end, which is mainly derived from an increase of ¥350,294 thousand in Buildings and structures partially offset by a decrease of ¥153,318 thousand in Construction in progress.

#### **(Liabilities)**

Total liabilities as of FY2025 end amounted to ¥11,058,379 thousand, an increase of ¥423,475 thousand from FY2024 end.

#### 1. Current liabilities

Current liabilities amounted to ¥9,810,329 thousand as of FY2025 end, an increase of ¥305,259 thousand from FY2024 end, which is mainly derived from an increase of ¥553,780 thousand in short-term borrowing, and an increase of ¥125,794 thousand in current portion of long-term borrowings, partially offset by a decrease of ¥211,865 thousand in arrears payables, and a decrease of ¥108,026 thousand in tax payables.

#### 2. Non-current liabilities

Non-current liabilities amounted to ¥1,248,049 thousand as of FY2025 end, an increase of ¥118,216 thousand from FY2024 end, which is mainly derived from an increase of ¥199,973 thousand in long-term borrowings, partially offset by a decrease of ¥133,063 thousand in Lease obligations.

#### **(Net Assets)**

Net Assets as of FY2025 end amounted to ¥12,756,299 thousand, an increase of ¥256,647 thousand from FY2024 end, primarily due to an increase of ¥523,915 thousand in foreign currency translation adjustment and an increase of ¥87,383 thousand in Remeasurements of defined benefit plans, partially offset by a decrease of ¥327,227 thousand in retained earnings.

## **(3) Explanation on the Cash Flows**

Cash and cash equivalents (hereafter, referred to as “cash” ) as of FY2025 end amounted to ¥3,432,682 thousand, a decrease of ¥363,554 thousand from FY2024 end. Cash flows from each activity and their significant components are as follows:

#### **(Cash flows from operating activities)**

Net cash used in operating activities amounted to ¥266,488 thousand (¥1,132,029 thousand net cash was generated from operating activities in FY2024).

This is mainly attributable to the decreased “Profit before tax” to ¥125,066 thousand (¥317,663 thousand in FY2024), the increase in changed amount of account receivables to ¥324,952 thousand (Decreased in changed amount to ¥216,035 thousand in FY2024), and the increase in changed amount of other assets to ¥70,687 thousand (Decreased in changed amount to ¥196,600 thousand in FY2024), partially offset by the decrease in changed amount of other liabilities to ¥352,403 thousand (increase in changed amount to ¥95,487 thousand in FY2024).

#### **(Cash flows from investing activities)**

Net cash used in investing activities amounted to ¥884,179 thousand (¥599,268 thousand net cash was used in investing activities in FY2024).

This is mainly attributable to ¥506,815 thousand of acquisition payment for tangible assets (¥578,080 thousand in FY2024), ¥79,035 thousand of acquisition payment for intangible assets (¥180,905 thousand in FY2024), and ¥216,700 thousand of payment for time deposit (N/A in FY2024).

#### **(Cash flows from financing activities)**

Net cash generated from financing activities amounted to ¥599,947 thousand (¥701,894 thousand net cash was used in FY2024).

This is mainly attributable to the increase in the changed amount of ¥550,331 thousand of proceeds from short-term borrowings (decrease in changed amount to ¥46,367 thousand in FY2024), and the increase in the changed amount of ¥504,112 thousand of proceeds from long-term borrowings (increase in changed amount to ¥500,000 thousand in FY2024), partially offset by ¥178,344 thousand of repayment of long-term borrowings (¥85,980 thousand in FY2024), and ¥84,292 thousand of dividend payments (¥403,476 thousand in FY2024).

#### **(4) Future Performance Forecast**

As for the forecast of FY2026, the prospects of our business environment continue to be highly uncertain and are unpredictable. Nonetheless, looking ahead, we believe we have a clear path to reaccelerate our growth, and we expect to deliver more growth in revenue and profits for FY2026, compared to actuals for FY2025, as we predict continuous growing demand for gardening and exterior.

Leveraging our technologies, pioneering spirit, and innovation capabilities, we have been successfully positioning our Company at the intersection of sustainability (Green Transformation, GX) and technology, setting ourselves up for everlasting growth by seizing opportunities of two of the most important mega-trends: minimizing the impacts of climate change and maximizing the impacts of technology.

Our strategy is to increase product vitality, enhance service levels, using technology and craftsmanship to improve and differentiate our products and customer loyalty. Our pioneering XR (AR/VR/MR) is just the start of our next-generation customer support. Also, we will improve our processes (value chain) and manage cost because of ongoing productivity improvements and in response to energy savings and carbon footprint reduction. We recognize that the alignment of sustainability goals is increasingly crucial as we prioritize GX and energy-saving products and solutions for our customers.

As for the business development by each segment, in pro-use segment, we will deliver strong performance by promoting further our new multidimensional business model, innovative synergy of online, virtual, and real, more precisely, DX-enabled proposals. We will expand proposal-based marketing to contractors and construction companies, including DX services, to promote the acquisition of new projects.

Leveraging AR & VR, with which potential customers can be provided with high-quality and immersive digital experiences, we will not only enhance our brand value but also strengthen sales and promotion campaign for non-housing fields (such as public and commercial facilities), in which we have competitive strength and reputation for our tailor-made dedications (resulting cross-sell, and up-sell for specific long-term customers).

To achieve further growth in the lighting business, we will develop new products and strengthen sales channels.

Furthermore, we will strengthen new business development with major restaurant chains.

We aim to revitalize local communities and realize a sustainable economic society by establishing a sales system that links our seven showrooms nationwide with our web platform to increase customer touchpoint and engagement.

In addition, DIGITEC strengthen sales promotion through a technical alliance with Drone Show Japan, Inc, where they will promote new and mystical light creations by integrating drone aircraft and our lighting technology.

In home-use segment, we will strategically manage price and cost, and accomplish recovery in FY2026. We will further promote our growing e-commerce, product development in our own factories, and horizontal roll-out of global products. Also, we will revise product mix so that our sales volume will be unaffected by harsh weather. Furthermore, we will continue cross-media advertisement, ranging from TVCM, owned media, SNS to “Living Garden Store” for the purpose of recognition enhancement by general customers, as well as customer nurturing, spurring demand toward market creation.

In overseas segment, we will strengthen sales force and promote new transactions with home centers in U.S., and pioneer untapped regions (France, Italy, etc.). Also, in order to strengthen online sales, focusing “VEGTRUG.COM (owned media for e-commerce)”, we will develop and introduce new products, including pro-use products such as Ever Art Wood and Ever Art Board. There, we comprehensively propose "Facade Exterior & Living Garden" lifestyle.

In January 2024, our sales subsidiary in U.K., VegTrug Limited, has been awarded by The Royal Horticultural Society (hereafter referred to as “RHS”), charitable organization dedicated to the promotion of gardening and horticulture in Europe, for its 14 “VegTrug” branded vegetable garden planters. We are the first and only Japanese company to be certified as a recommended product by RHS. We are confident that this epoch-making award will be tremendously beneficial to the enhancement of our brand recognition, and, seizing this opportunity, we will expand sales channels.

In Australia, our sales subsidiary, Takasho Australia, was the first Japanese company to win “Supplier of the Year 2024 Grand Prize” in the garden and outdoor products category by the NTHA (National Timber and Hardware Association of Australia). Taking this opportunity, we will thrive to expand sales by establishing brand awareness in the region.

DIGITEC China, which is new cornerstone for manufacturing LED outdoor lighting and signs for DIGITEC completed construction of a new plant of approximately 10,000 m<sup>2</sup>. Since a significant increase in production capacity is expected, in addition to the production of outdoor lighting equipment, we will promote new business development such as OEM in overseas markets, manufacturing of LED signs, mass production of products for B-to-C, and direct sales (export) to regions outside Japan, including Asia, the U.S., and Europe, in the future.

We predict ¥ 21,736 million of net sales (up 9.3% YoY), ¥ 308 million of operating income (△150 million in FY2025), ¥ 405 million of ordinary income (up 383.4% YoY) and ¥ 122 million of net income attributable to owners of the parent (△242 million in FY2025), respectively, for FY2026 on a consolidated basis.

## **(5) Dividend Payout Policies**

The Company recognizes that returning profit to our shareholders is one of the significant management objectives and will deliberate on such payouts, based on a comprehensive assessment of our business performance, financial condition, and future business development, such as future investment needs etc., maintaining and expanding internal reserves to secure sufficient cash to finance business operation and sustainable growth.

Our basic policy is to aim for a consolidated dividend payout ratio of around 40% (annual), with a lower limit of ¥5 per share, to continuously return profit to our shareholders.

Taking into consideration our basic policy above and our FY2025 business performance, we have decided to pay a year-end annual dividend of ¥5 per share for FY2025, in the notion to maintain stable dividend policy.

Regarding FY2026 dividends, we have decided to pay a dividend of 5 yen per share based on our policy of maintaining stable dividends in accordance with our basic policy. We will continue to strive for both sustainable enhancement of corporate value and appropriate return of profits to shareholders while ensuring financial soundness.

## **2. Basic Approach to the Selection of Accounting Standards**

For the time being, our policy is to prepare its consolidated financial statements in accordance with Japanese GAAP, taking into consideration the comparability from period to period (horizontal analysis) and the comparability among companies (vertical analysis).

We will continue to consider the appropriate adoption of IFRS, with holistic views on all key aspects of domestic and international environments.

The forward-looking statements in this document are based on information available to us as of the date of this announcement. Accordingly, actual results and developments may differ materially from those expressed or implied by these statements due to various factors. If it becomes necessary to revise the forecast, we will disclose such revisions as soon as possible.

### 3. Annual Financial Statements and Notes

#### (1) Annual Consolidated Balance Sheet

(Thousands of yen)

	FY2024 (As of Jan. 20, 2024)	FY2025 (As of Jan. 20, 2025)
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and deposits	3,796,236	3,649,382
Note receivable, account receivable and contract assets	2,462,181	2,772,338
Electronically recorded receivables	674,170	722,497
Merchandise and finished goods	4,995,045	4,669,704
Work in process	568,226	755,434
Raw materials and supplies	1,431,515	1,598,646
Short-term loan	42,514	29,104
Other current assets	718,246	963,475
Allowance for doubtful accounts	△11,793	△34,878
<b>Total current assets</b>	<b>14,676,343</b>	<b>15,125,705</b>
<b>NON-CURRENT ASSETS:</b>		
<b>Tangible assets</b>		
Buildings and structures	7,432,461	8,121,659
Accumulated depreciation	△3,740,561	△4,079,464
<b>Buildings and structures, net</b>	<b>3,691,900</b>	<b>4,042,194</b>
Machines and vehicles	1,293,935	1,399,904
Accumulated depreciation	△966,707	△1,076,742
<b>Machines and vehicles, net</b>	<b>327,228</b>	<b>323,162</b>
Equipment	1,231,046	1,292,625
Accumulated depreciation	△1,048,317	△1,115,111
<b>Equipment, net</b>	<b>182,729</b>	<b>177,514</b>
Land	1,136,609	1,142,675
Leased assets	1,310,539	1,333,239
Accumulated depreciation	△687,695	△847,657
<b>Leased assets, net</b>	<b>622,843</b>	<b>485,582</b>
Construction in progress	434,656	281,338
<b>Total tangible assets</b>	<b>6,395,967</b>	<b>6,452,467</b>
<b>Intangible assets</b>		
Goodwill	28,878	17,606
Software	275,035	318,118
Software in progress	92,616	6,129
Others	169,640	176,193
<b>Total intangible assets</b>	<b>566,171</b>	<b>518,048</b>
<b>Investments and other assets</b>		
Investment securities	192,703	180,245
Investment stake	43,012	43,812
Long-term loan	136,290	119,595
Retirement benefit asset	365,948	544,598
Deferred tax assets	170,908	147,433
Others	661,987	706,669
Allowance for doubtful accounts	△74,778	△23,896

Total investment and other assets	1,496,073	1,718,458
Total non-current assets	8,458,212	8,688,973
<b>TOTAL ASSETS</b>	<b>23,134,556</b>	<b>23,814,678</b>
<b>LIABILITIES</b>		
<b>CURRENT LIABILITIES:</b>		
Note and accounts payable	2,461,605	2,127,407
Electronically recorded payables	1,137,268	1,540,206
Short-term borrowings	3,884,524	4,438,304
Current portion of long-term borrowings	135,960	261,754
Lease obligations	180,713	182,404
Accounts payable - other	976,458	764,593
Accrued expenses	130,265	120,775
Income taxes payable	251,879	143,853
Consumption taxes payable	139,476	76,057
Provision for bonuses	26,878	15,688
Other current liabilities	180,040	139,285
Total current liabilities	9,505,070	9,810,329
<b>LONG-TERM LIABILITIES:</b>		
Long-term borrowings	389,060	589,033
Lease obligations	454,200	321,137
Retirement benefit liability	11,086	13,724
Asset retirement obligations	241,163	247,428
Deferred tax liabilities	32,316	74,717
Other long-term liabilities	2,007	2,008
Total long-term liabilities	1,129,833	1,248,049
<b>TOTAL LIABILITIES</b>	<b>10,634,904</b>	<b>11,058,379</b>
<b>NET ASSETS</b>		
<b>Shareholders' equity</b>		
Share capital	3,043,623	3,043,623
Capital surplus	3,096,857	3,096,857
Retained earnings	5,773,798	5,446,571
Treasury shares	△494,176	△494,177
Total shareholders' equity	11,420,103	11,092,874
<b>Accumulated other comprehensive income</b>		
Valuation difference on available-for-sale securities	91,255	84,314
Deferred gains or losses on hedges	36,827	-
Foreign currency translation adjustment	756,158	1,280,073
Remeasurements of defined benefit plans	72,368	159,751
Total accumulated other comprehensive income	956,610	1,524,140
Non-controlling interests	122,938	139,284
<b>TOTAL NET ASSETS</b>	<b>12,499,651</b>	<b>12,756,299</b>
<b>TOTAL LIABILITIES and NET ASSETS</b>	<b>23,134,556</b>	<b>23,814,678</b>

## (2) Annual Consolidated Statement of Income and Comprehensive Income

(Thousands of yen)

	FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)
Net sales	19,411,365	19,890,018
Cost of revenue	11,075,434	11,500,956
Gross profit	8,335,930	8,389,062
Selling, general and administrative expenses	8,444,896	8,539,739
Operating loss	△108,965	△150,677
Non-operating income		
Interest income	9,770	15,992
Dividend income	6,694	6,334
Foreign exchange gain	322,943	166,311
Royalty income	45,834	41,702
Subsidy income	20,037	11,726
Others	92,586	110,709
Total non-operating income	497,866	352,778
Non-operating expenses		
Interest expense	101,118	96,414
Commitment fee	427	602
Others	37,022	21,310
Total non-operating expenses	138,568	118,326
Ordinary income	250,333	83,774
Extraordinary gains		
Gain on sales of non-current assets	12,676	2,186
Gain on sales of investment securities	124,177	4,859
Insurance claim income	-	146,844
Total extraordinary gains	136,853	153,890
Extraordinary losses		
Loss on sales of non-current assets	1,548	123
Loss on retirements of non-current assets	5,625	7,039
Impairment losses	62,350	17,530
Loss on disaster	-	87,904
Total extraordinary losses	69,523	112,597
Income before income taxes	317,663	125,066
Income tax - current	409,277	260,690
Income taxes for prior periods	-	51,607
Income tax - deferred	△20,062	49,715
Total income taxes	389,214	362,013
Net loss	△71,551	△236,946
attributable to non-controlling interests	4,029	5,988
attributable to owners of the parent	△75,580	△242,934

## (Annual Consolidated Statement of Comprehensive Income, Cumulative)

(Thousands of yen)

	FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)
Net loss	△71,551	△236,946
Other comprehensive income		
Valuation difference on available-for-sale securities	△49,034	△6,941
Deferred gains or losses on hedges	43,880	△36,827
Foreign currency translation adjustment	10,510	534,273
Remeasurements of defined benefit plans	65,083	87,383
Total accumulated other comprehensive income	70,440	577,887
Comprehensive income	△1,111	340,941
attributable to owners of parent	△10,524	324,594
attributable to non-controlling interests	9,413	16,346



(3) Annual Consolidated Statement of Shareholder Equity

FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of January 21, 2023	3,043,623	3,099,197	6,252,855	△12,514	12,383,162
Increase/Decrease during current period					
Distributions of dividend			△403,476		△403,476
Net loss attributable to owners of the parent			△75,580		△75,580
Purchase of treasury shares				△492,465	△492,465
Disposal of treasury shares		△2,339		10,803	8,464
Increase/Decrease other than shareholders equity during current period (net)					-
Total Increase/Decrease during current period	-	△2,339	△479,057	△481,662	△963,059
Balance as of January 20, 2024	3,043,623	3,096,857	5,773,798	△494,176	11,420,103

(Thousands of yen)

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance as of January 21, 2023	140,290	△7,052	751,031	7,284	891,554
Increase/Decrease during current period					
Distributions of dividend					-
Net income attributable to owners of the parent					-
Purchase of treasury shares					-
Disposal of treasury shares					-
Increase/Decrease other than shareholders equity during current period (net)	△49,034	43,880	5,126	65,083	65,056
Total Increase/Decrease during current period	△49,034	43,880	5,126	65,083	65,056
Balance as of January 20, 2024	91,255	36,827	756,158	72,368	956,610

(Thousands of yen)

	Stock subscription rights	Non- controlling interests	Total net assets
Balance as of January 21, 2023	1,025	113,524	13,389,266
Increase/Decrease during current period			
Distributions of dividend			△403,476
Net income attributable to owners of the parent			△75,580
Purchase of treasury shares			△492,465
Disposal of treasury shares			8,464
Increase/Decrease other than shareholders equity during current period (net)	△1,025	9,413	73,444
Total Increase/Decrease during current period	△1,025	9,413	△889,614
Balance as of January 20, 2024	-	122,938	12,499,651

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

(Thousands of yen)

	Shareholders' equity				
	Share capital	Capital surplus	Retained earnings	Treasury shares	Total shareholders' equity
Balance as of January 21, 2024	3,043,623	3,096,857	5,773,798	△494,176	11,420,103
Increase/Decrease during current period					
Distributions of dividend			△84,292		△84,292
Net income attributable to owners of the parent			△242,934		△242,934
Purchase of treasury shares				△1	△1
Disposal of treasury shares					-
Increase/Decrease other than shareholders equity during current period (net)					-
Total Increase/Decrease during current period	-	-	△327,227	△1	△327,228
Balance as of January 20, 2025	3,043,623	3,096,857	5,446,571	△494,177	11,092,874

(Thousands of yen)

	Accumulated other comprehensive income				
	Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Foreign currency translation adjustment	Remeasurements of defined benefit plans	Total accumulated other comprehensive income
Balance as of January 21, 2024	91,255	36,827	756,158	72,368	956,610
Increase/Decrease during current period					
Distributions of dividend					-
Net income attributable to owners of the parent					-
Purchase of treasury shares					-
Disposal of treasury shares					-
Increase/Decrease other than shareholders equity during current period (net)	△6,941	△36,827	523,915	87,383	567,529
Total Increase/Decrease during current period	△6,941	△36,827	523,915	87,383	567,529
Balance as of January 20, 2025	84,314	-	1,280,073	159,751	1,524,140

(Thousands of yen)

	Stock subscription rights	Non-controlling interests	Total net assets
Balance as of January 21, 2024	-	122,938	12,499,651
Increase/Decrease during current period			
Distributions of dividend			△84,292
Net income attributable to owners of the parent			△242,934
Purchase of treasury shares			△1
Disposal of treasury shares			-
Increase/Decrease other than shareholders equity during current period (net)	-	16,346	583,876
Total Increase/Decrease during current period	-	16,346	256,647
Balance as of January 20, 2025	-	139,284	12,756,299

**(4) Annual Consolidated Statement of Cash Flows**

(Thousands of yen)

	FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)
<b>Cash flows from operating activities</b>		
Profit (loss) before income taxes	317,663	125,066
Depreciation	773,711	801,185
Goodwill amortization	11,272	11,272
Increase (decrease) in allowance for doubtful accounts	△72,318	△27,974
Increase (decrease) in provision for bonuses	△263	△11,190
Interest and dividend income	△16,464	△22,327
Interest expense	101,118	96,414
Foreign exchange losses (gains)	△1,829	△111,411
Insurance claim income	-	△146,844
Loss on retirements of non-current assets	5,625	7,039
Impairment losses	62,350	17,530
Loss (gain) on sale of property, plant and equipment	△11,128	△2,063
Loss (gain) on sale of investment securities	△124,177	△4,859
Loss on disaster	-	87,904
Decrease (increase) in accounts receivable	216,035	△324,952
Decrease (increase) in inventory	279,419	228,649
Decrease (increase) in other current assets	196,600	△70,687
Increase (decrease) in accounts payable	△270,110	35,244
Increase (decrease) in other current liabilities	95,487	△352,403
Increase (decrease) in unpaid consumption tax	82,629	△63,419
Others	40,850	17,212
Subtotal	1,686,472	289,384
Income taxes paid	△470,427	△420,324
Interest and dividends received	16,464	22,327
Interest paid	△100,480	△98,466
Insurance claim income	-	6,500
Payments associated with disaster loss	-	△65,910
Net cash provided by (used in) operating activities	1,132,029	△266,488
<b>Cash flows from investing activities</b>		
Payment into time deposits	-	△216,700
Purchase of property, plant and equipment	△578,080	△506,815
Proceeds from sale of property, plant and equipment	16,107	2,186
Purchase of intangible assets	△180,905	△79,035
Proceeds from sale of investment securities	142,702	7,648
Purchase of investment securities	△306	△312
Short-term loan advances	-	△9,000
Proceeds from collection of Short-term loans receivable	-	9,000
Proceeds from collection of Long-term loans receivable	19,911	21,211
Others	△18,697	△112,362
Net cash provided by (used in) investing activities	△599,268	△884,179
<b>Cash flows from financing activities</b>		
Net increase (decrease) from short-term borrowings	△46,367	550,331

Proceeds from long-term borrowings	500,000	504,112
Repayment of long-term borrowings	△85,980	△178,344
Repayments of finance lease liabilities	△181,412	△191,858
Proceeds from sale of treasury shares	7,808	-
Purchase of treasury shares	△492,465	△1
Dividends paid	△403,476	△84,292
Net cash provided by (used in) financing activities	△701,894	599,947
Effect of exchange rate change on cash and cash equivalents	△241,515	187,166
Net increase (decrease) in cash and cash equivalents	△410,649	△363,554
Cash and cash equivalents at beginning of period	4,206,885	3,796,236
Cash and cash equivalents at end of period	3,796,236	3,432,682

## **(5) Notes to Annual Consolidated Financial Statement**

### **1) Note on Going Concern : None**

### **2) Segment Information**

#### **1. Determinant of Reporting Segment**

The Group's reportable segments are components for which discrete financial information is available and which are subject to periodic review by the Board of Directors to determine the allocation of management resources and evaluate their performance. We are a leading global producer of gardening and exterior, and manufacture and provide relevant products and solutions worldwide.

Geographically, we oversee Japan area, and our local subsidiaries do overseas. Each local subsidiary is independent management unit, and as such, operates business in accordance with locally tailored product strategies comprehensive formulated by it.

Therefore, our geographical segment is determined based on manufacturing and distribution structure, and is composed of area-by-area segment; Japan, Europe, China, Korea and US.

#### **2. Net Revenue, Profit or Loss by Segment**

The accounting method of the reported business segments is in accordance with the accounting policies adopted to prepare the consolidated financial statements. Profits of reportable segments are operating income-based figures. Intersegment sales and transfers are based on prevailing market prices.

### 3. Sales, Income or Loss, Assets, Liabilities and other items by Reportable Segment

FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)

(JPY in thousands)

	Reportable segment					Sub total
	Japan	Europe	China	Korea	US	
Sales						
Sales for external customers	17,259,842	432,093	872,867	214,834	387,645	19,167,282
Internal sales or transfers between segments	542,056	—	2,153,405	—	44,451	2,739,913
Total	17,801,898	432,093	3,026,272	214,834	432,096	21,907,195
Segment profit (loss)	502,319	△476,501	56,125	△23,792	△231,013	△172,862
Segment assets	19,636,724	1,116,635	5,182,888	193,185	1,551,711	27,681,145
Other						
Depreciation	414,867	61,362	184,492	2,014	83,924	746,661
Amortization of Goodwill	11,272	—	—	—	—	11,272
Increase in tangible and intangible assets	397,056	919	476,166	1,265	48,675	924,082

(JPY in thousands)

	Others (Note 1)	Sub total	Adjustment (Note 2)	Reported amount for consolidated financial statements (Note 3)
Sales				
Sales for external customers	244,082	19,411,365	—	19,411,365
Internal sales or transfers between segments	1,760	2,741,673	△2,741,673	—
Total	245,842	22,153,038	△2,741,673	19,411,365
Segment profit (loss)	△47,146	△220,009	111,044	△108,965
Segment assets	426,199	28,107,344	△4,972,788	23,134,556
Other				
Depreciation	27,050	773,711	—	773,711
Amortization of Goodwill	—	11,272	—	11,272
Increase in tangible and intangible assets	143,484	1,067,566	—	1,067,566

(Note)

1. “Other” indicates a business segment that is not included in the reportable segments and includes the business activities of local subsidiaries in Australia and India.
2. Adjusted amount is as follows.
  - (1) Adjusted amount in segment profits and loss includes elimination of inter-segment transaction (¥ 124,882 thousands), inventory adjustment (△¥ 6,582 thousands), and adjustment of allowance for doubtful accounts (△¥ 7,255 thousands), respectively.
  - (2) Adjusted amount in segment assets includes elimination of inter-segment receivables and investments (△¥6,047,884 thousands), inventory adjustment (△¥312,050 thousands), goodwill amortization (△¥48,060 thousands) and adjustment of allowance for doubtful accounts (¥1,435,206 thousands), respectively.
3. Segment profit or losses is adjusted with operating profit in Consolidated Income Statements

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

(JPY in thousands)

	Reportable segment					Sub total
	Japan	Europe	China	Korea	US	
Sales						
Sales for external customers	17,285,079	666,780	943,324	198,128	537,803	19,631,117
Internal sales or transfers between segments	578,452	—	2,056,952	—	52,896	2,688,301
Total	17,863,532	666,780	3,000,276	198,128	590,700	22,319,419
Segment profit (loss)	549,008	△322,976	△137,715	△57,287	△253,409	△222,381
Segment assets	19,892,045	1,120,926	5,516,899	187,539	1,338,448	28,055,858
Other						
Depreciation	432,219	39,626	213,492	1,379	90,716	777,435
Amortization of Goodwill	11,272	—	—	—	—	11,272
Increase in tangible and intangible assets	500,242	11,482	143,750	615	237	656,328

(JPY in thousands)

	Others (Note 1)	Sub total	Adjustment (Note 2)	Reported amount for consolidated financial statements (Note 3)
Sales				
Sales for external customers	258,901	19,890,018	—	19,890,018
Internal sales or transfers between segments	2,333	2,690,635	△2,690,635	—
Total	261,234	22,580,653	△2,690,635	19,890,018
Segment profit (loss)	△44,429	△266,811	116,133	△150,677
Segment assets	407,953	28,463,812	△4,649,133	23,814,678
Other				
Depreciation	23,749	801,185	—	801,185
Amortization of Goodwill	—	11,272	—	11,272
Increase in tangible and intangible assets	7,328	663,657	—	663,657

(Note)

- “Other” indicates a business segment that is not included in the reportable segments and includes the business activities of local subsidiaries in Australia and India.
- Adjusted amount is as follows.
  - Adjusted amount in segment profits and loss includes elimination of inter-segment transaction (¥ 19,449 thousands), inventory adjustment (¥96,987 thousands), and adjustment of allowance for doubtful accounts (△¥302 thousands), respectively.
  - Adjusted amount in segment assets includes elimination of inter-segment receivables and investments (△¥ 6,382,063 thousands), inventory adjustment (△¥261,321 thousands), goodwill amortization (△¥48,060 thousands) and adjustment of allowance for doubtful accounts (¥2,042,312 thousands), respectively.
- Segment profit or losses is adjusted with operating profit in Consolidated Income Statements.



**【Relevant Information】****FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)**

## 1. Information by Product/Service

(Thousands of yen)

	Artificial bamboo fence products	Gardening products	Lightening machinery and tools	Others	Total
Sales for External Customers	7,686,484	5,206,729	4,074,300	2,443,850	19,411,365

## 2. Information by Region

## (1) Net Sales

(Thousands of yen)

Japan	Europe	Others	Total
17,865,607	432,093	1,113,664	19,411,365

(Note) Sales is classified by countries and regions, based on the location of clients.

## (2) Tangible Assets

(Thousands of yen)

Japan	China	Others	Total
3,708,238	2,185,506	502,222	6,395,967

## 3. Information by Major Customers

Amongst sales for external customers, major customers information is omitted since we don't have such customers who account for more than 10% of our sales.

**FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)**

## 1. Information by Product/Service

(Thousands of yen)

	Artificial bamboo fence products	Gardening products	Lightening machinery and tools	Others	Total
Sales for External Customers	7,768,106	5,350,620	4,446,426	2,324,865	19,890,018

## 2. Information by Region

## (1) Net Sales

(Thousands of yen)

Japan	Europe	Others	Total
17,825,158	666,780	1,398,078	19,890,018

(Note) Sales is classified by countries and regions, based on the location of clients.

## (2) Tangible Assets

(Thousands of yen)

Japan	China	Others	Total
3,808,103	2,250,849	393,514	6,452,467

## 3. Information by Major Customers

Amongst sales for external customers, major customers information is omitted since we don't have such customers who account for more than 10% of our sales.

**【Information on Impairment Losses by Reportable Segment】**

FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)

(JPY in thousands)

	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Impairment losses	11,571	40,500	—	—	—	52,071	10,279	—	62,350

(Note) Amount in “others” was derived from local subsidiaries in Australia.

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

(JPY in thousands)

	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Impairment losses	—	10,382	—	—	—	10,382	7,147	—	17,530

(Note) Amount in “others” was derived from local subsidiaries in Australia.

**【Information on Goodwill Amortization and Residual Unamortized Amount by Reportable Segment】**

FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)

(JPY in thousands)

Others	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Balance at the end of current period	28,878	—	—	—	—	28,878	—	—	28,878

(Note) Description on goodwill amortization amount is omitted, in order to avoid redundancy to the same disclosure in segment information.

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

(JPY in thousands)

Others	Reportable segment						Others	Group Elimination	Total
	Japan	Europe	China	Korea	US	Sub total			
Balance at the end of current period	17,606	—	—	—	—	17,606	—	—	17,606

(Note) Description on goodwill amortization amount is omitted, in order to avoid redundancy to the same disclosure in segment information.

**【Information on Gains Occurred from Negative Goodwill by Reportable Segment】**

N/A

**3) Revenue Recognition related**

**Breakdown of Revenue from Sales Contract-By Reportable Segment**

FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)

(JPY in thousands)

Reportable Segment	Japan	Europe	China	Korea	US	Others	Total
Pro-use segment	13,277,044	—	—	—	—	—	13,277,044
Home-use segment	3,823,902	—	796,563	—	—	—	4,620,465
Overseas segment	110,301	432,093	76,304	214,834	387,645	244,082	1,465,261
Others	48,593	—	—	—	—	—	48,593
Revenue from Sales contracts	17,259,842	432,093	872,867	214,834	387,645	244,082	19,411,365
Other revenue	—	—	—	—	—	—	—
Sales for External Customers	17,259,842	432,093	872,867	214,834	387,645	244,082	19,411,365

FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)

(JPY in thousands)

Reportable Segment	Japan	Europe	China	Korea	US	Others	Total
Pro-use segment	13,838,110	—	—	—	—	—	13,838,110
Home-use segment	3,272,438	—	775,192	—	—	—	4,047,631
Overseas segment	113,566	666,780	168,131	198,128	537,803	258,901	1,943,312
Others	60,964	—	—	—	—	—	60,964
Revenue from Sales contracts	17,285,079	666,780	943,324	198,128	537,803	258,901	19,890,018
Other revenue	—	—	—	—	—	—	—
Sales for External Customers	17,285,079	666,780	943,324	198,128	537,803	258,901	19,890,018

#### 4) Per Share Information

(JPY)	FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)
Book-value per share	734.15	748.41
Net loss per share	△4.45	△14.41

(Note.1) Diluted net income per share is not shown since the Company posted a net loss per share and there are no latent shares.

(Note.2) Earnings per share were calculated based on the following:

(JPY in thousands)	FY2024 (From Jan. 21, 2023, to Jan. 20, 2024)	FY2025 (From Jan. 21, 2024, to Jan. 20, 2025)
Net income(loss) per share		
Net loss attributable to shareholders of the parent	△75,580	△242,934
Amount not belonging to common shareholders	—	—
Net loss attributable to shareholders of the parent of common stock	△75,580	△242,934
Average number of shares of common stock during the fiscal year (share)	16,995,819	16,858,454

#### 5) Significant Subsequent Events

N/A