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February 6, 2025

## Consolidated Financial Results for the Nine Months Ended December 31, 2024 (Based on Japanese GAAP)

Company name: Goldwin Inc.  
 Stock exchange listing: Tokyo  
 Securities code: 8111  
 URL: <https://about.goldwin.co.jp/eng/>  
 Representative: Takao Watanabe, President and Representative Director  
 Inquiries: Michio Shirasaki, Senior Managing Director, Director-General Administration  
 TEL: +81-3-6777-9378  
 Scheduled date to commence dividend payments: –  
 Preparation of supplementary material on financial results: Yes  
 Holding of financial results meeting: No

(Amounts less than one million yen are rounded down)

### 1. Consolidated financial results for the nine months ended December 31, 2024 (from April 1, 2024 to December 31, 2024)

#### (1) Consolidated operating results (cumulative)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Nine months ended	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
December 31, 2024	96,833	2.1	16,939	(11.7)	21,885	(7.2)	17,695	0.7
December 31, 2023	94,832	9.3	19,189	5.0	23,576	7.5	17,574	8.0

Note: Comprehensive income      Nine months ended December 31, 2024: ¥17,760 million      [(9.1)%]  
    Nine months ended December 31, 2023: ¥19,531 million      [13.3%]

	Earnings per share	Diluted earnings per share
Nine months ended	Yen	Yen
December 31, 2024	394.22	—
December 31, 2023	389.83	—

#### (2) Consolidated financial position

	Total assets	Net assets	Equity ratio
As of	Millions of yen	Millions of yen	%
December 31, 2024	152,155	106,608	69.5
March 31, 2024	140,977	100,170	70.9

Reference: Equity  
                     As of December 31, 2024                      ¥105,784 million  
                     As of March 31, 2024                      ¥100,007 million

## 2. Cash dividends

	Annual dividends per share				
	1st quarter-end	2nd quarter-end	3rd quarter-end	Fiscal year-end	Total
	Yen	Yen	Yen	Yen	Yen
Year ended March 31, 2024	—	30.00	—	132.00	162.00
Year ending March 31, 2025	—	40.00			
Year ending March 31, 2025 (Forecast)			—	123.00	163.00

Notes: 1. Revisions to the forecast of cash dividends most recently announced: No

2. The year-end dividend of ¥132 for the year ended March 31, 2024 includes a commemorative dividend of ¥10 associated with the Company's head office relocation.

## 3. Forecast of consolidated financial results for the year ending March 31, 2025 (from April 1, 2024 to March 31, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent		Earnings per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Full year	133,200	5.0	18,100	(24.1)	25,900	(20.6)	21,000	(13.5)	466.24

Note: Revisions to the forecast of consolidated financial results most recently announced: No

**\* Notes**

- (1) Significant changes in the scope of consolidation during the nine months ended December 31, 2024:  
Yes

Newly included: 2 companies (Goldwin China Enterprise Ltd., Goldwin Korea Corporation)

Excluded: 1 company (Woolrich International Limited)

- (2) Application of special accounting methods for preparing quarterly consolidated financial statements:  
No

- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements

(i) Changes in accounting policies due to revisions to accounting standards and other regulations: Yes

(ii) Changes in accounting policies due to other reasons: No

(iii) Changes in accounting estimates: No

(iv) Restatement of prior period financial statements: No

- (4) Number of issued shares (common shares)

- (i) Total number of issued shares at the end of the period (including treasury shares)

As of December 31, 2024	47,448,172 shares
As of March 31, 2024	47,448,172 shares

- (ii) Number of treasury shares at the end of the period

As of December 31, 2024	2,923,094 shares
As of March 31, 2024	2,535,290 shares

- (iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)

Nine months ended December 31, 2024	44,888,306 shares
Nine months ended December 31, 2023	45,081,519 shares

- \* Review of the Japanese-language originals of the attached quarterly consolidated financial statements by certified public accountants or an audit corporation: Yes (voluntary) (in Japanese only)

- \* Proper use of financial forecasts, and other special matters

Descriptions of the above financial forecasts and other data are based on information currently available to the Company and certain assumptions that we consider to be reasonable. Actual financial results may differ significantly from the forecasts for various reasons. Please refer to “1. Overview of Operating Results, etc., (3) Explanation of consolidated financial results forecasts and other forward-looking statements” on page 3 of the attached material for the suppositions that form the assumptions for the financial forecasts and cautions regarding the use of the financial forecasts.

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## **1. Overview of Operating Results, etc.**

### **(1) Overview of operating results of the period under review**

During the nine months ended December 31, 2024, the Japanese economy maintained a moderate recovery trend as a whole, backed by an improved income environment due to improved business performance mainly among export-oriented companies and wage increases at some companies, despite facing external factors such as exchange rate fluctuations and rising resource prices. In addition, personal consumption remained firm, despite challenges such as energy prices and price hikes of daily necessities.

In the sports apparel industry, inbound demand supported sales of high-end and winter wear. Demand from high-spending consumers from Asia drove consumption, particularly strong in urban department stores. On the other hand, the impact of inbound demand in regional cities was limited, highlighting the disparity in consumption among regions as an issue.

In this environment, the Company's sales of winter clothing continued to be soft due to the warm winter trend from September through the first half of November. However, inbound measures such as multilingual POPs deployed mainly in urban areas were effective, and sales of mainstay items such as sweatshirts and cut-and-sewns remained strong. From the second half of November, demand for down jackets and fleece clothing rapidly expanded as temperatures dropped, and monthly sales in December reached a record high. Furthermore, in e-commerce sales, THE NORTH FACE's Korea-only line "KOREA Collection" launched in December was well received by female customers in their 20s and 30s, contributing significantly to the development of new customers. Consequently, net sales were ¥96,833 million (up 2.1% year on year), in line with the forecast at the beginning of the period.

Gross profit was ¥50,393 million (down 0.3% year on year). The gross profit margin dropped 1.3 points year on year to 52.0% due to the impact of higher raw material prices and foreign exchange rate fluctuations, as well as the peak sales of mainstay products being pushed back. Selling, general and administrative expenses was ¥33,454 million (up 6.6% year on year) mainly due to an increase in personnel expenses, particularly J-ESOP (stock benefit trust), which had been expected as a one-time cost when the initial forecasts were formulated. Consequently, operating profit was ¥16,939 million (down 11.7% year on year).

Ordinary profit was ¥21,885 million (down 7.2% year on year), despite strong sales at YOUNGONE OUTDOOR Corporation, an equity-method affiliate in South Korea.

In addition, profit attributable to owners of parent was ¥17,695 million (up 0.7% year on year), owing to the contribution of share of profit of entities accounted for using equity method.

Consequently, for the nine months ended December 31, 2024, net sales were ¥96,833 million (up 2.1% year on year), operating profit was ¥16,939 million (down 11.7% year on year), ordinary profit was ¥21,885 million (down 7.2% year on year), and profit attributable to owners of parent was ¥17,695 million (up 0.7% year on year).

### **(2) Status of the financial situation of the period under review**

Total assets at the end of the period under review amounted to ¥152,155 million, up ¥11,178 million from the end of the previous fiscal year. The main factors were a ¥5,640 million increase in notes and accounts receivable - trade, and contract assets, a ¥3,125 million increase in electronically recorded monetary claims - operating, and a ¥2,814 million increase in merchandise and finished goods.

Total liabilities at the end of the period under review amounted to ¥45,546 million, up ¥4,739 million from the end of the previous fiscal year. The main factors were a ¥7,935 million increase in electronically recorded obligations - operating, and a ¥1,646 million increase in provision for share awards, despite a ¥5,550 million decrease in income taxes payable.

Total net assets at the end of the period under review amounted to ¥106,608 million, up ¥6,438 million from the end of the previous fiscal year. The main factors were a ¥3,949 million increase in treasury shares and a ¥9,658 million increase in retained earnings. As a result, equity ratio was 69.5%.

### **(3) Explanation of consolidated financial results forecasts and other forward-looking statements**

Currently, we are following a policy of not revising the full-year consolidated financial results forecasts announced on May 14, 2024. While net sales were in line with the forecast announced at the beginning of the period, each profit level exceeded the forecast at the beginning of the period as a result of close examination of advertising and other cost execution.

Given that the peak sales of the products for the autumn and winter season are dispersed over a period that includes the third and fourth quarter, we plan to implement promotional measures in the fourth quarter to strengthen product appeal in stores, focusing on limited edition products and high-functionality merchandise. In addition, there is a possibility that some of the measures to be implemented in the subsequent fiscal years in line with the policies of the medium-term management plan will be executed ahead of schedule. Therefore, the full-year forecast for selling, general and administrative expenses remains unchanged at this time.

In addition, we are promoting the “Goldwin500” project, disclosed in April 2024, aiming to expand the Goldwin brand globally, and are making a full-scale entry into the Chinese market as part of those plans. Three new stores were opened in Chengdu last August, Shanghai in last September, and Hangzhou in January this year. We plan to build a total of four stores, including the existing store in Beijing by the end of the current fiscal year. Furthermore, from the next fiscal year onward, we plan to open about five new stores per year, including a new store in Nanjing, which is scheduled to open in April of this year, with the aim of increasing awareness of the Goldwin brand.

The Company will continue to pay attention to the market conditions and performance trends, and if deemed necessary, will promptly disclose the revised earnings forecasts.

## 2. Quarterly Consolidated Financial Statements and Significant Notes Thereto

### (1) Quarterly consolidated balance sheet

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	43,479	40,991
Notes and accounts receivable - trade, and contract assets	13,886	19,527
Electronically recorded monetary claims - operating	6,571	9,696
Merchandise and finished goods	16,887	19,701
Work in process	380	315
Raw materials and supplies	949	1,012
Other	1,685	2,869
Allowance for doubtful accounts	(7)	(4)
Total current assets	83,832	94,109
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	1,995	2,656
Land	4,691	4,679
Other, net	3,281	2,982
Total property, plant and equipment	9,969	10,318
Intangible assets		
Trademark right	921	699
Other	2,209	2,176
Total intangible assets	3,131	2,876
Investments and other assets		
Investment securities	34,181	35,015
Guarantee deposits	2,730	3,381
Other	7,269	6,590
Allowance for doubtful accounts	(137)	(137)
Total investments and other assets	44,044	44,851
Total non-current assets	57,144	58,046
Total assets	140,977	152,155

(Millions of yen)

	As of March 31, 2024	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	4,312	5,847
Electronically recorded obligations - operating	15,490	23,426
Short-term borrowings	–	620
Current portion of long-term borrowings	940	589
Income taxes payable	5,685	135
Provision for bonuses	1,605	519
Provision for share awards	–	4,395
Other	7,833	8,067
Total current liabilities	35,866	43,601
Non-current liabilities		
Long-term borrowings	432	–
Retirement benefit liability	185	182
Provision for share awards	2,748	–
Other	1,573	1,763
Total non-current liabilities	4,940	1,945
Total liabilities	40,807	45,546
<b>Net assets</b>		
Shareholders' equity		
Share capital	7,079	7,079
Capital surplus	1,548	1,578
Retained earnings	97,061	106,719
Treasury shares	(10,362)	(14,312)
Total shareholders' equity	95,326	101,066
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	1,812	1,788
Deferred gains or losses on hedges	40	108
Foreign currency translation adjustment	2,927	2,843
Remeasurements of defined benefit plans	(100)	(22)
Total accumulated other comprehensive income	4,680	4,718
Non-controlling interests	162	823
Total net assets	100,170	106,608
Total liabilities and net assets	140,977	152,155

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

**Quarterly consolidated statement of income (cumulative)**

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Net sales	94,832	96,833
Cost of sales	44,262	46,439
Gross profit	50,570	50,393
Selling, general and administrative expenses	31,381	33,454
Operating profit	19,189	16,939
Non-operating income		
Interest income	13	13
Dividend income	85	103
Share of profit of entities accounted for using equity method	4,261	4,548
Other	105	372
Total non-operating income	4,465	5,039
Non-operating expenses		
Interest expenses	27	22
Loss on cancellation of insurance policies	–	19
Other	50	50
Total non-operating expenses	78	93
Ordinary profit	23,576	21,885
Extraordinary income		
Gain on sale of investment securities	491	–
Gain on sale of shares of subsidiaries and associates	–	0
Other	–	0
Total extraordinary income	491	0
Extraordinary losses		
Loss on disposal of non-current assets	21	34
Loss on valuation of investment securities	19	–
Loss on store closings	–	14
Loss on withdrawal from business	–	100
Other	–	17
Total extraordinary losses	41	166
Profit before income taxes	24,026	21,719
Income taxes - current	6,415	4,025
Income taxes - deferred	(8)	(28)
Total income taxes	6,407	3,997
Profit	17,619	17,722
Profit attributable to non-controlling interests	45	26
Profit attributable to owners of parent	17,574	17,695

# Quarterly consolidated statement of comprehensive income (cumulative)

(Millions of yen)

	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Profit	17,619	17,722
Other comprehensive income		
Valuation difference on available-for-sale securities	498	(23)
Deferred gains or losses on hedges	(5)	71
Foreign currency translation adjustment	210	(241)
Remeasurements of defined benefit plans, net of tax	158	72
Share of other comprehensive income of entities accounted for using equity method	1,048	159
Total other comprehensive income	1,911	37
Comprehensive income	19,531	17,760
Comprehensive income attributable to:		
Owners of parent	19,485	17,733
Non-controlling interests	45	26

**(3) Notes regarding quarterly consolidated financial statements**  
**(Notes regarding assumptions of going concern)**

Not applicable.

**(Notes regarding changes in accounting policies)**

(Changes in accounting policies)

*Application of Accounting Standard for Current Income Taxes and other relevant ASBJ regulations*

The Company has applied the “Accounting Standard for Current Income Taxes” (Accounting Standards Board of Japan (ASBJ) Statement No. 27, October 28, 2022; the “Revised Accounting Standard of 2022”) and other relevant ASBJ regulations from the beginning of the first quarter of the fiscal year ending March 31, 2025. Revisions to categories for recording current income taxes (taxation on other comprehensive income) conform to the transitional treatment in the proviso of paragraph 20-3 of the Revised Accounting Standard of 2022 and the transitional treatment in the proviso of paragraph 65-2(2) of the “Guidance on Accounting Standard for Tax Effect Accounting” (ASBJ Guidance No. 28, October 28, 2022; the “Revised Implementation Guidance of 2022”). This change in the accounting policy has no impact on the quarterly consolidated financial statements.

In addition, for revisions related to the review of the treatment in consolidated financial statements when a gain or loss on sale arising from the sale of shares of subsidiaries, etc. among consolidated companies is deferred for tax purposes, the Company has applied the Revised Implementation Guidance of 2022 from the beginning of the first quarter of the fiscal year ending March 31, 2025. The change in the accounting policy has been applied retrospectively. Therefore, the new accounting policy was reflected in the consolidated financial statements for the same period of the previous fiscal year and for the previous fiscal year. This change in the accounting policy has no impact on the consolidated financial statements for the same period of the previous fiscal year and for the previous fiscal year.

**(Notes on segment information, etc.)**

Nine months ended December 31, 2023 (April 1, 2023 to December 31, 2023) and nine months ended December 31, 2024 (April 1, 2024 to December 31, 2024)

This information is omitted because the Group operates a single segment of sporting goods-related business.

**(Notes on significant changes in the amount of shareholders' equity)**

The Company proceeded with the repurchase of treasury shares in accordance with the resolution of the Board of Directors meeting held on November 7, 2024, and repurchased 511,700 shares of treasury shares during the third quarter of the current fiscal year. As a result, treasury shares increased by ¥3,949 million during the period under review, including a decrease in treasury shares due to the provision of treasury shares to employees through a stock benefit trust, resulting in treasury shares of ¥14,312 million as of December 31, 2024.

**(Notes on quarterly consolidated statement of cash flows)**

Quarterly consolidated statement of cash flows for the nine months ended December 31, 2024 is not prepared. Depreciation (including amortization related to intangible assets excluding goodwill) for the nine months ended December 31, 2023 and 2024 is as follows:

	(Millions of yen)	
	Nine months ended December 31, 2023	Nine months ended December 31, 2024
Depreciation	1,413	1,628