

(Translation)

To Whom It May Concern,

Company name Adastria Co., Ltd.

Representative Osamu Kimura, Representative Director and

President

(Securities code: 2685 TSE Prime Market) Itsuo Iwakoshi, Senior Vice President, General

Inquiries Manager of Administration Division, Head of

Corporate Planning Office (TEL:03-5466-2060)

(Corrections) Notice Regarding Partial Correction to "FY2025/02 Financial Results"

the Adastria Co., Ltd. ("Company") hereby announces that it made a partial correction to the "FY2025/02 Financial Results" disclosed on April 4, 2025.

Corrections

Corrections are on pages 6, 11, 12, 23, of "FY2025/02 Financial Results"

on 6 pages "Consolidated Income Statement"
 FY2025/02 Results, Adastria (non-consolidated, including and ST)*2 's operating profit

- on 11 pages "Adastria (Non-consolidated) Income Statement"
 FY2025/02 Results, Exclude Company Split Impact's ordinary profit and others
- on 12 pages "Major Domestic Subsidiaries and Major Brand sales" studio CLIP, LOWRYS FARM, JEANASIS, LAKOLE
- 4. on 23 pages "FY2026/02 Non-Consolidated Forecast"
 Lower Table "(Reference) Adastria (Non-Consolidated) + and ST Co., Ltd. + Intercompany Adjustments (Reflecting the Impact of and ST Business Split)"
 Ordinary profit for FY2025/02 Results and FY2026/02 Forecast and others

The corrected portions are underlined.

1. on 6 pages Consolidated Income Statement

FY2025/02 Results, Adastria (non-consolidated, including and ST)*2 's operating profit

(before corrected)

	FY2024/02 Res	ults	FY2025/02 Results		
		Ratio		Ratio	YoY
Net sales	275,596	100.0%	293,110	100.0%	106.4%
Adastria (non-consolidated, excluding and ST)*1	220,078	79.9%	230,983	78.8%	105.0%
Adastria (non-consolidated, including and ST)*2	-	-	231,464	79.0%	105.2%
Domestic subsidiaries *3	24,007	8.7%	27,603	9.4%	115.0%
Overseas subsidiaries *4	23,396	8.5%	24,546	8.4%	104.9%
Zetton (Food & Beverage Subsidiary) *5	12,570	4.6%	14,606	5.0%	116.2%
Gross profit	152,354	55.3%	160,282	54.7%	105.2%
SG&A expenses	134,339	48.7%	144,771	49.4%	107.8%
Advertising & promotion	8,712	3.2%	8,514	2.9%	97.7%
Personnel	48,333	17.5%	53,003	18.1%	109.7%
Rent & depreciation *5	47,785	17.3%	52,027	17.8%	108.9%
Amortization of goodwill	223	0.1%	395	0.1%	177.4%
Others	29,284	10.6%	30,830	10.5%	105.3%
Operating profit	18,015	6.5%	15,510	5.3%	86.1%
Adastria (non-consolidated, excluding and ST)*1	16,346	5.9%	13,449	4.6%	82.3%
Adastria (non-consolidated, including and ST)*2	-	-	14,335	4.9%	87.7%
Domestic subsidiaries *3	236	0.1%	1,346	0.5%	569.2%
Overseas subsidiaries *4	1,123	0.4%	535	0.2%	47.7%
Adastria Logistics	88	0.0%	1	0.0%	1.2%
Zetton (Food & Beverage Subsidiary) *5	179	0.1%	▲ 411	-0.1%	-
Ordinary profit	18,389	6.7%	15,964	5.4%	86.8%
Net income attributable to owners of the parent	13,513	4.9%	9,614	3.3%	71.1%
EBITDA	27,763	10.1%	26,692	9.1%	96.1%
Depreciation and amortization	9,525	3.5%	10,785	3.7%	113.2%
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Adastria (non-consolidated, excluding and ST)*1	16,346	5.9%	13,449	4.6%	82.3%
Adastria (non-consolidated, including and ST)*2	-	-	<u>14,306</u>	4.9%	87.5%
Domestic subsidiaries *3	236	0.1%	1,346	0.5%	569.2%
Overseas subsidiaries *4	1,123	0.4%	535	0.2%	47.7%
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2. on 11 pages Adastria (Non-consolidated) Income Statement FY2025/02 Results, Exclude Company Split Impact's ordinary profit and others

(before corrected)

		FY2024/02 Results	FY2025/02 Results				
			Include Compa	Include Company Split impact		ny Split impact	
				YoY		YoY	
Net sales		220,078	230,983	105.0%	231,464	105.2%	
(Total stores Yo	Y w/o Wholesale) *	110.1%	104.2%				
	(Same stores YoY) *	109.1%	101.5%				
Gross profit		118,989	122,227	102.7%	122,636	103.1%	
	Gross margin	54.1%	52.9%	▲ 1.2p	53.0%	▲ 1.1p	
SG&A expenses		102,642	108,777	106.0%	108,330	105.5%	
	SG&A ratio	46.6%	47.1%	+0.5p	46.8%	+0.2p	
Operating profit		16,346	13,449	82.3%	14,305	87.5%	
	Operating margin	7.4%	5.8%	▲ 1.6p	6.2%	▲ 1.2p	
Ordinary profit		16,320	<u>14,889</u>	91.2%	14,486	<u>88.8%</u>	
	Ordinary margin	7.4%	6.4%	▲ 1.0p	<u>6.3%</u>	<u>▲ 1.2</u> p	

		FY2024/02 Result	FY2025/02 Result			
		4Q Three Months Ended		4Q Three Mon	ths Ended	
			Include Company	Split impact	Exlude Compar	y Split impact
				YoY		YoY
Net sales		<u>58,395</u>	<u>57,208</u>	98.0%	<u>57,689</u>	98.8%
Gross profit		28,849	27,817	96.4%	28,226	97.8%
	Gross margin	49.4%	48.6%	▲ 0.8p	48.9%	▲ 0.5p
SG&A expenses		27,006	27,950	103.5%	27,503	101.8%
	SG&A ratio	46.2%	48.9%	+2.6p	47.7%	<u>+1.4p</u>
Operating profit		<u>1,842</u>	<u>▲ 134</u>	<u>-7.3%</u>	722	39.2%
	Operating margin	3.2%	<u>-0.2%</u>	▲ 3.4p	1.3%	▲ 1.9p
Ordinary profit	•	1,034	260	25.1%	<u>714</u>	69.0%
	Ordinary margin	1.8%	<u>0.7%</u>	<u>▲ 1.1p</u>	1.2%	<u>▲ 0.5p</u>

(corrected)

		FY2024/02 Results	FY2025/02 Results				
			Include Company	Split impact	Exlude Company Split impact		
				YoY		YoY	
Net sales		220,078	230,983	105.0%	231,464	105.2%	
(Total stores Yo	Y w/o Wholesale) *	110.1%	104.2%				
	(Same stores YoY) *	109.1%	101.5%				
Gross profit		118,989	122,227	102.7%	122,637	103.1%	
	Gross margin	54.1%	52.9%	▲ 1.2p	53.0%	▲ 1.1p	
SG&A expenses		102,642	108,777	106.0%	108,330	105.5%	
	SG&A ratio	46.6%	47.1%	+0.5p	46.8%	+0.2p	
Operating profit		16,346	13,449	82.3%	14,306	87.5%	
	Operating margin	7.4%	5.8%	▲ 1.6p	6.2%	▲ 1.2p	
Ordinary profit		16,320	<u>14,888</u>	91.2%	15,342	94.0%	
	Ordinary margin	7.4%	6.4%	▲ 1.0p	6.6%	<u>▲</u> 0.8p	

		FY2024/02 Result 4Q Three Months Ended	FY2025/02 Result 4Q Three Months Ended				
			Include Company S	plit impact	Exlude Company Sp	olit impact	
				YoY		YoY	
Net sales		58,394	<u>57,207</u>	98.0%	57,688	98.8%	
Gross profit		28,848	27,817	96.4%	28,226	97.8%	
	Gross margin	49.4%	48.6%	▲ 0.8p	48.9%	▲ 0.5p	
SG&A expenses		27,006	27,950	103.5%	27,503	101.8%	
	SG&A ratio	46.2%	48.9%	+2.7p	47.7%	+1.5p	
Operating profit		1,841	▲ 133	= 1	722	39.2%	
Ope	Operating margin	3.2%	=	_	1.3%	▲ 1.9p	
Ordinary profit	,	1,034	260	25.1%	<u>713</u>	69.0%	
	Ordinary margin	1.8%	0.5%	▲ 1.3n	1 2%	▲ 0.6p	

3. on 12 pages "Major Domestic Subsidiaries and Major Brand sales" FY2026/02 Non-Consolidated Forecast

(before corrected)

	FY2024/02 Results	FY2025/02 Results	
			YoY
GLOBAL WORK	51,673	52,660	101.9%
niko and	33,565	35,902	107.0%
LOWRYS FARM	22,027	22,883	103.9%
studio CLIP	22,401	22,738	101.5%
LEPSIM	13,229	14,888	112.5%
<u>JEANASIS</u>	10,807	12,673	117.3%
LAKOLE	12,294	11,695	95.1%
BAYFLOW	10,785	11,288	104.7%

(corrected)

	FY2024/02 Results	24/02 Results FY2025/02 Results	
			YoY
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studio CLIP	22,027	22,883	103.9%
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4. on 23 pages FY2026/02 Non-Consolidated Forecast

"(Reference) Adastria (Non-Consolidated) + and ST Co., Ltd. + Intercompany Adjustments (Reflecting the Impact of and ST Business Split)"

Ordinary profit for FY2025/02 Results and FY2026/02 Forecast and others

(before corrected)

	FY2025/02	FY2026/02	
	Results	Forecast	
			YoY
Net sales	231,464	244,500	105.6%
Gross profit	122,636	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	<u>14,305</u>	16,200	113.2%
Operating margin	6.2%	6.6%	+0.4p
Ordinary profit	14,486	16,500	113.9%
Ordinary margin	<u>6.3%</u>	6.7%	<u>+0.4p</u>

(corrected)

	FY2025/02	FY2026/02		
	Results	Forecast		
			YoY	
Net sales	231,464	244,500	105.6%	
Gross profit	<u>122,637</u>	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	<u>14,306</u>	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	



April 4, 2025 (April-9 Revised, page 6, 11,12, 23)



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	2025/02 Overview

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1. FY2025/02 Overview

Representative Director and Chairman Michio Fukuda



FY2025/02 Overview

- Generated record-high consolidated sales; operating profit declined year on year, falling below plan
- Initiated the 5th CHANGE to deliver the diverse forms of value our customers seek
- Formulated a medium-term management plan toward 2030

2. FY2025/02 Financial Result and FY2026/02 Forecast

Managing Director Taiki Fukuda



Consolidated Income Statement

Adastria transferred the e-commerce mall business to and ST Co., Ltd. in December 2024 through a company split.

The following non-consolidated figures for Adastria are presenting both excluding and including the impact of this split, using the same criteria as those for the fiscal year ended February 2024.

		(Millions of ye				
	FY2024/02 Re	sults	FY20	25/02 Results		
		Ratio		Ratio	YoY	
Net sales	275,596	100.0%	293,110	100.0%	106.4%	
Adastria (non-consolidated, excluding and ST)*1	220,078	79.9%	230,983	78.8%	105.0%	
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^{*1:} Figures for December to February in FY2/2025 reflect Adastria's performance after the company split with and ST Co., Ltd.

^{*2:} Figures for December to February in FY2/2025 reflect adjustments for intercompany eliminations between Adastria and and ST Co., Ltd., and are presented on the same basis as FY2/2024

^{*3:} Domestic subsidiaries are the sum of five subsidiaries FY02/2024: BUZZWIT Co.,Ltd., ELEMENT RULE Co., Ltd., ADOORLINK Co., Ltd., Gate Win Co., Ltd.

Domestic subsidiaries are the sum of three subsidiaries FY02/2025: BUZZWIT Co.,Ltd., ELEMENT RULE Co., Ltd., ADOORLINK Co., Ltd., TODAY'S SPECIAL Co., Ltd., and ST Co., Ltd.

Ourseles subsidiaries are the sum of success subsidiaries. Here Maisland China Taiwan, Their LICA (Paried Ion to Dec 2024)

^{*4:} Overseas subsidiaries are the sum of overseas subsidiaries: Hong Kong, Mainland China, Taiwan, Thai, USA.(Period Jan. to Dec.2024)

^{*5:} Operating profit of zetton, inc. is shown after consolidation adjustments. Due to change in financial year, Feb-Jan (FY2024/02) and Feb-Feb(FY2025/02)

^{*6:} Rent & depreciation costs are the sum of Rent expenses, Lease expenses and Depreciation

Consolidated Income Statement Summary (1)



Summary

Net sales hit a record high and met forecasts, but the gross profit margin fell short of target.

Operating profit declined due to weak autumn and winter sales, as well as underperformance in the overseas and food and beverage businesses.

Net sales

293.1 billion yen (+6.4% YoY)

Parent company (including and ST Co., Ltd)

- Up 5.2% year on year. Solid consumer spending, favorable weather, and successful sales and product strategies drove performance in the first half.
 - Sales underperformed in the second half due to hotter-than-normal temperatures in October and inventory shortages during the winter sales season.

Domestic subsidiaries

• Up 15.0% year on year. ELEMENT RULE posted higher revenue and profit driven by recovery of underperforming brands. BUZZWIT, an e-commerce—focused subsidiary, saw weak performance in the first half but recovered in the second.

Overseas subsidiaries

Up 4.9% year on year. Losses narrowed in mainland China despite lower revenue resulting from weak consumer spending. In Taiwan, new store openings and brand launches drove increases in both revenue and profit.
 New store openings in Hong Kong drove revenue up, but higher depreciation and amortization reduced profit
 Business in the U.S. continued to face challenges in wholesale operations, leading to declines in both revenue and profit.
 Revenue increased in Thailand and the Philippines due to new store openings.

Food and beverage business

 Net sales increased 16.2% and reflect a 13-month period due to a change in our fiscal-year end. The effective increase on a 12-month basis amounted to 11.8%. Profit declined due to new store opening costs and higher personnel expenses, despite increased revenue supported by domestic market recovery.

Gross profit margin

54.7% (-0.6 pp YoY)

- Gross profit margin declined year on year due to weaker margins from the depreciating yen and inventory valuation losses, despite unit price adjustments
- Increased wholesale mix weighed on margin (-0.3 pp)

Consolidated Income Statement Summary (2)



SG&A expense ratio

49.4% (+0.7 pp YoY)

Advertising and promotions

2.9% (-0.3 pp YoY) (-0.19 billion yen YoY)

Optimized promotional spending

Personnel

• 18.1% (+0.6 pp YoY) (+4.67 billion yen YoY)

Ongoing improvements in employee compensation, increased hiring, and higher labor costs in the food and

beverage business

Rent and depreciation

• 17.8% (+0.5 pp YoY) (+4.24 billion yen YoY)

Higher rent stemming from sales growth; higher depreciation from new store openings

Other

• 10.5% (-0.1 pp YoY) (+1.54 billion yen YoY)

Higher card processing fees and system related expenses

Operating profit

15.5 billion yen (-13.9% YoY)

Operating profit margin: 5.3%

% EBITDA margin: 9.1%

Ordinary profit

15.9 billion yen (-13.2% YoY)

Non-operating profit: ¥0.26 billion in foreign exchange gains

Net income attributable to owners of the parent

9.6 billion yen (-28.9% YoY)

Extraordinary losses: 0.43 billion yen in store impairments, 0.42 billion yen in goodwill impairments, and 0.39 billion yen in U.S. trademark impairments

FY2025/02 Issues and Measures



Profit declined due to weaker second-half sales

- Consolidated net sales exceeded both the previous year results and the earnings forecast, while profit
 declined at all levels
- Adastria (non-consolidated) underperformed in the second half due to slow adaptation to unseasonal weather and inventory shortages
- Group companies in the overseas and food and beverage businesses posted weak full-year results
- Operating profit declined due to lower gross margin stemming from the weaker yen and rising rent and depreciation costs

Response measures

- Strengthened product lineups less affected by weather through IP collaborations and expansion into non-apparel categories
- Revised monthly budget allocations, improved seasonal inventory and ordering accuracy
- Certain underperforming subsidiaries recovered while food and beverage subsidiaries improved cost structure by limiting new store openings
- Withdraw from the U.S. market; liquidate and sell U.S. subsidiary

Monthly review of FY2025/02



Adastria(Non-consolidated) Monthly sales All Stores YoY



Adastria (Non-consolidated) Income Statement



*AD: Adastria Co., Ltd. / AST: and ST Co., Ltd.

Impact on Adastria Non-Consolidated Income Statements Following the December 2024 Company Split With and ST Co., Ltd.

• Sales and gross profit: Transferred revenue from open platform operations and group e-commerce platform usage fees from AD to AST.

AD reflects only the net impact (issuance minus redemption) of its in-house membership points.

SG&A expenses : AD pays fees (e-commerce usage fees) to AST for AD's and ST brand sales. AST covers related e-commerce costs, including parcel shipping and credit card fees.

Non-operating profit: AST pays software licensing fees to AD.

(Millions of yen)

		FY2024/02 Results	FY2024/02 Results FY2025/02 Res			Results		
			Include Company Split impact		Exlude Company	Split impact		
				YoY		YoY		
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	SG&A ratio	46.6%	47.1%	+0.5p	46.8%	+0.2p		
Operating profit		16,346	13,449	82.3%	14,306	87.5%		
	Operating margin	7.4%	5.8%	▲ 1.6p	6.2%	▲ 1.2p		
Ordinary profit		16,320	14,888	91.2%	15,342	94.0%		
	Ordinary margin	7.4%	6.4%	▲ 1.0p	6.6%	▲ 0.8p		

(Millions of yen)

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		4Q Three Months Ended		4Q Three Mo	onths Ended	
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				YoY		YoY
Net sales		58,394	57,207	98.0%	57,688	98.8%
Gross profit		28,848	27,817	96.4%	28,226	97.8%
	Gross margin	49.4%	48.6%	▲ 0.8p	48.9%	▲ 0.5p
SG&A expenses		27,006	27,950	103.5%	27,503	101.8%
	SG&A ratio	46.2%	48.9%	+2.7p	47.7%	+1.5p
Operating profit		1,841	▲ 133	-	722	39.2%
	Operating margin	3.2%	_	_	1.3%	▲ 1.9p
Ordinary profit		1,034	260	25.1%	713	69.0%
	Ordinary margin	1.8%	0.5%	▲ 1.3p	1.2%	▲ 0.6p

Major Domestic Subsidiaries and Major Brand sales



Major Domestic Subsidiaries

(Millions of yen)

	FY2024/02 Results	FY2025/02 Results	
			YoY
BUZZWIT Co., Ltd.	11,630	12,277	105.6%
ELEMENT RULE Co., Ltd.	11,210	12,641	112.8%

Major Brands

(Millions of yen)

	FY2024/02 Results	FY2025/0	2 Results
			YoY
GLOBAL WORK	51,673	52,660	101.9%
niko and	33,565	35,902	107.0%
studio CLIP	22,027	22,883	103.9%
LOWRYS FARM	22,401	22,738	101.5%
LEPSIM	13,229	14,888	112.5%
LAKOLE	10,807	12,673	117.3%
JEANASIS	12,294	11,695	95.1%
BAYFLOW	10,785	11,288	104.7%

Brand Progress



LEPSIM revamped product planning, increasing net sales by 12.5% year on year

- Expanded trend-driven designs since 2023, attracting more new customers in their 20s and 30s, in addition to its core 40s demographic.
- Strong performance driven by improved e-commerce strategy, with significant increases in customer traffic and full-price sales.
 - Reduced lost sales opportunities through in-season restocks using pre-order sales.
- Successfully developed weather-resilient products, including staff-produced items featured on STAFF BOARD and cross-industry collaboration products.





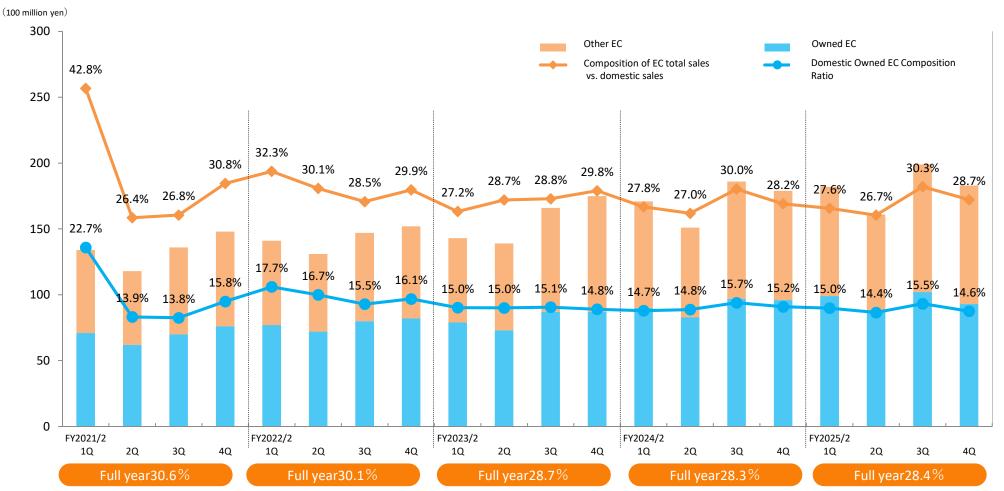




Domestic net sales from online (FY2025/02)

72.8 billion yen (+5.7% YoY)

Domestic online business ratio: 28.4% (of which Adastria EC site: approx. 14.9%)



^{*}FY2021/02 non-consolidated sales and sales in BUZZWIT Co., Ltd. and ELEMENT RULE Co., Ltd. were included.

^{*}Starting in FY2022/02, sales of ADOORLINK Co., Ltd. was included.

^{*}Starting in FY2023/02 2Q, sales of BUZZWIT Co., Ltd. include its consolidated subsidiary OPEN AND NATURAL, Inc. (2 companies merged in July 2023) and from 4Q, sales of Gate Win Co., Ltd. was included.

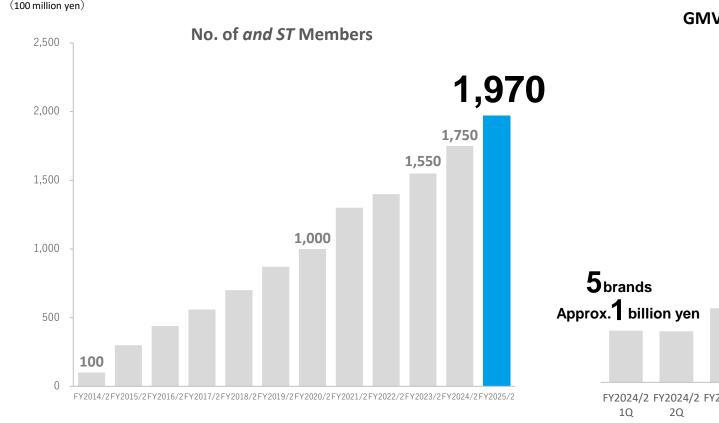


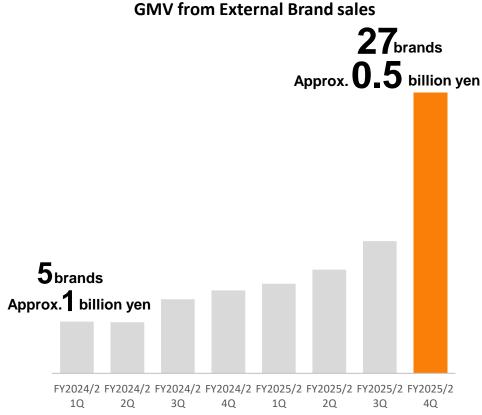
- Steady ongoing growth in and ST membership, with sales from the open platform (third-party group brands) expanding rapidly in the fourth quarter.
- "and ST" members: 19.7million members (+2.2million more than at the end of FY2025/02
- Active members: 7.5million members

• GMV : 40.3 billion yen

Group Brand sales: 39.2 billion yen

External Brand sales: 1.1 billion yen





Overseas Business



• Mainland China: Losses narrowed due to strong e-commerce sales, despite lower revenue from weak consumer spending

• **Taiwan:** Revenue and profit increased, despite underperformance in the summer sales season, through continued

store openings and new brand launches

• Hong Kong: Revenue increased due to new stores and openings, despite weaker performance in late summer and fall.

Profit declined as depreciation expenses rose resulting from store openings.

• **Thailand:** Opened a second store in FY2/2025, following the first store in FY2/2024, resulting in net growth

• **USA:** Revenue and profit decreased due to continued weakness in the wholesale business amid economic uncertainty.

(Millions of yen)

		FY2023/12		FY2024/12	
		Results		Results	
(Simple aggregate of overseas subsidiaries)				YoY (JPY)	YoY (Local currency)
Net sale	es	23,396	24,546	104.9%	98.5%
	Mainland China	4,960	4,895	98.7%	92.6%
	Hong Kong	4,248	4,756	112.0%	103.5%
	Taiwan	6,493	7,518	115.8%	111.4%
	Thailand	216	355	163.9%	154.0%
	Philippines	-	25	-	-
	USA	7,477	6,995	93.6%	86.8%
Operati	ng profit	1,123	535	47.7%	45.7%
	Mainland China	▲ 617	▲ 486	-	-
	Hong Kong	461	444	96.3%	89.0%
	Taiwan	1,328	1,470	110.7%	106.5%
	Thailand	▲ 110	▲ 117	-	-
	Philippines	_	▲ 46	-	_
	USA	62	▲ 727	-	-

^{*1:} Mainland China: Net sales are shown before elimination of internal transactions

^{*2:} USA does not include the U.S. business of zetton inc.

Overseas Business Topics



Opened and STORE (a multi-brand store) in Shanghai and a niko and... store in Suzhou, China

- Adastria opened and STORE in Shanghai as a multi-brand retail concept featuring 10 in-house brands, along with external
 collaboration brands and IP-based projects. This store supports our multi-brand strategy in mainland China. A reception
 event held at the time of opening—featuring invited KOLs and KOCs—generated strong buzz and contributed to a successful
 launch.
- In December, Adastria opened a new standard-format niko and ... store in Suzhou, a market identified through e-commerce
 customer analysis as having strong untapped potential. The store is optimized for local needs and aims to raise brand
 awareness through physical stores, with the goal of driving traffic back to the e-commerce channel through a mutually
 reinforcing customer flow strategy.







Shanghai: and STORE (opened December 21)



Suzhou: Nico and ... (opened December 7)

Strategic Withdrawal From U.S. Operations



- Withdraw from U.S. operations, where early recovery is unlikely, to refocus overseas resources on Southeast Asia, a key growth market.
 - Liquidate U.S. intermediate holding company Adastria USA, Inc.
 - Plans to transfer U.S. subsidiary Velvet LLC
- Impact of U.S. business exit on FY2025/02 consolidated results
 - Adastria USA posted ¥1.7 billion in losses
 - Reversed deferred tax assets of ¥1.3 billion due to accumulated losses
 - Recognized an impairment loss on trademark (intangible asset) totaling ¥0.4 billion
 - Recorded approximately ¥1.2 billion in consolidated profit
 - Recognized deferred tax assets of the same amount following the resolution to liquidate Adastria USA

FY2025/02

Consolidated Balance Sheet



• **Inventories :** Proper level at 8.4% above one year earlier.

• **Property, plant and equipment:** Increased due to the opening of physical stores.

• Intangible assets: Increased due to growth in goodwill and intangible assets resulting from M&A

• Net assets: Net asset ratio of 58.0%, +2.0p YoY.

(Millions of yen)

		End of 2024/02			End of 2	2025/02	
			Ratio		Ratio	Compared end of 20	
Current	assets	68,731	53.7%	67,173	50.5%	▲ 1,558	97.7%
	Cash and deposits	23,371	18.3%	21,143	15.9%	▲2,228	90.5%
	Inventories	26,839	21.0%	29,082	21.8%	+2,243	108.4%
Fixed assets		59,184	46.3%	65,935	49.5%	+6,750	111.4%
	Property, plant and equipment	23,901	18.7%	26,864	20.2%	+2,962	112.4%
	Intangible assets	12,376	9.7%	14,683	11.0%	+2,307	118.6%
	Goodwill	1,109	0.9%	2,673	2.0%	+1,564	241.0%
	Investments and other assets	22,906	17.9%	24,387	18.3%	+1,480	106.5%
Total as	sets	127,915	100.0%	133,108	100.0%	+5,192	104.1%
Liabilitie	es	56,334	44.0%	55,908	42.0%	▲ 426	99.2%
	Loans payable	905	0.7%	0	0.0%	▲ 905	-
Net assets		71,581	56.0%	77,200	58.0%	+5,618	107.8%
	Treasury shares	▲ 7,516	▲ 5.9%	▲ 5,627	▲ 4.2%	+1,888	_

	FY2024/02		FY202	25/02		FY2026/02 Plan		an
	End of FY2024/02	Opened	Changed	Closed	End of FY2025/02	Opened	Closed	Eng of FY2026/02
GLOBAL WORK	214	5	0	- 3	216	15	- 2	229
niko and	141	6	0	- 2	145	3	- 1	147
studio CLIP	179	10	0	- 2	187	2	- 2	128
LOWRYS FARM	126	1	0	- 2	125	5	- 2	187
LEPSIM	115	1	0	- 1	115	6	- 1	120
LAKOLE	78	14	0	- 1	91	12	- 1	69
JEANASIS	68	1	0	0	69	1	- 1	64
BAYFLOW	62	2	0	- 2	62	3	- 1	102
Others *1	259	25	6	- 20	270	18	- 34	278
Adastria non-consolidated total	1,242	65	6	- 33	1,280	65	- 45	1,324
(Online store included)	(61)	(5)	(2)	(- 3)	(65)	(0)	(0)	(69)
Domestic subsidiaries total*2	128	8	30/-6	- 25	135	9	- 1	119
(Online store included)	(58)	(4)	(9/-2)	(- 21)	(48)	(1)	(0)	(45)
Japan total	1,370	73	30	- 58	1,415	74	- 46	1,443
(Online store included)	(119)	(9)	(9)	(- 24)	(113)	(1)	(0)	(114)
Mainland China	15	3	0	- 4	14	4	0	17
Hong Kong	23	7	0	- 1	29	5	-2	32
Taiwan	72	11	0	- 2	81	23	-1	103
Thailand	2	1	0	0	3	2	0	5
Philippines	-	1	0	0	1	4	0	5
USA	10	2	0	- 1	11	0	0	11
Oversea total	122	25	0	- 8	139	38	- 4	173
(Online store included)	(22)	(9)	(0)	(- 3)	(28)	(2)	(0)	(30)
Zetton (Food & Beverage subsidiary) *3	71	9	0	- 4	76	3	- 3	76
Consolidated total	1,563	107	30	- 70	1,630	115	- 53	1,692
(Online store included)	(141)	(18)	(9)	(- 27)	(141)	(3)	(0)	(144)

FY2025/2 65 remodeled stores in the consolidated group.

^{*1:} Stores of Gate Win Co., Ltd. which had been included in the total of domestic subsidiaries until FY2024/02, will be included in "Others"

^{*2:} Domestic subsidiaries are the sum of four subsidiaries FY/2025 1H: BUZZWIT Co., Ltd., ELEMENT RULE Co., Ltd., ADOORLINK Co., Ltd., TODAY'S SPECIAL CO., Ltd. Starting in FY2025/02 1H, 30 stores of TODAY'S SPECIAL which was acquired were listed under "Changed"

^{*3:} The number of stores of zetton inc. includes its consolidated subsidiary ZETTON, INC (USA Business).

Further Growth Through M&A



Acquired a partial stake in KARRIMOR International Ltd., making the company a consolidated subsidiary.

Launched a joint venture business initiative with ITOCHU Corporation to begin developing the long-established British outdoor brand KARRIMOR.

- Enter the growing global outdoor market to further expand multi-category operations.
- Combine the strengths of the ITOCHU brand business with our planning and sales capabilities to develop apparel for both outdoor and urban use, expand sales channels, and strengthen outreach to untapped customer segments.
- Serve as a global brand platform in partnership with ITOCHU and work to expand other global brands beyond KARRIMOR owned by the company.



KARRIMOR is a British outdoor brand established in 1946.

The brand name originates from "carry more," gaining acclaim for its robust and comfortable backpacks equipped with climbing-specific features. KARRIMOR has expanded its product line to include trekking shoes and a wide range of outdoor apparel. The company is also dedicated to creating environmentally friendly, sustainable products, earning the trust and support of outdoor enthusiasts worldwide.







FY2026/02 Consolidated Forecast



Net sales:
 More store openings of focused brands, Open Platform engagement and production business,

and sales growth of subsidiaries in Japan and other countries

• Gross profit margin: Forecast an improvement due to continued revisions of product prices, higher ASEAN region

production and measures to hold down discounting

• SG&A expense ratio: Forecast higher personnel expenses due to more salary increases, higher expenses of rent and

depreciation, and increases in other SG&A categories

* Figures include only six months of U.S. business results, as the business is scheduled to be transferred. (Millions of yen)

	FY2024/02	FY2025	/02
	Results	Foreca	ast
			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 c	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%

FY2026/02 Non-Consolidated Forecast



Net sales increased by 4.2% year on year on an adjusted basis, excluding the impact of the business split with and ST.

Profit increased on a consolidated basis, despite lower standalone profit stemming from the payment of e-commerce platform

usage fees to and ST

(Millions of yen)

	FY2025/02	FY2026/02	
	Results	Results Forecast	
			YoY
Net sales	230,983	235,000	101.7%
(excluded the impact of the split)			104.2%
Gross profit	122,227	127,500	104.3%
Gross margin	52.9%	54.3%	+1.4p
SG&A expenses	108,777	117,700	108.2%
SG&A ratio	47.1%	50.1%	+3.0p
Operating profit	13,449	9,800	72.9%
Operating margin	5.8%	4.2%	▲ 1.6p
Ordinary profit	14,888	11,700	78.6%
Ordinary margin	6.4%	5.0%	▲ 1.4p

(Reference)

Adastria (Non-Consolidated) + and ST Co., Ltd. + Intercompany Adjustments (Reflecting the Impact of and ST

Business Split)

(Millions of yen)

	FY2025/02	FY2026/02	
	Results	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

^{*} Revised (Reference) Ordinary profit for FY2025/02 Results and FY2026/02 Forecast and others (revised Apr-9, 2025).

Investment Plan



	FY2025/02			FY2026/02		
Investment Category	plan	actual	review	Plan	Main Uses	
Domestic Store Development	6.5 billion yen	6.5 billion yen	Progress generally in line with plans	7.0 billion yen	new stores for a focused brand and for and Store	
System	3.8 billion yen	3.8 billion yen	Even though progress was generally in line with plans, controlled by efficiency improvement	3.6 billion yen	Strengthen Adastria EC website, investments related to data analysis, infrastructure and security	
Oversea Store Development	1.7 billion yen	0.8 billion yen	Unspent due to postponement of store opening in Taiwan, while other investments were in line with plans	1.9 billion yen	New stores in Hong Kong, Taiwan and South East Asia	
Other	1.8 billion yen	1.3 billion yen	Progress generally in line with plans	2.1 billion yen	Distribution center, offices, etc.	
Total	13.8 billion yen	12.4 billion yen		14.6 billion yen		

Return to Shareholders



Dividend Policy Basic policy is a consolidated payout ratio of 30% and maintaining balance among dividend stability, investments for growth, and shareholder distributions.

Introduced a DOE threshold of at least 4.5%

FY 2025/02 Dividend of 90 yen, as forecast

FY 2026/02 Dividend forecast of 90 yen

(Millions of yen)

	FY2022/02	FY2023/02	FY2024/02	FY2025/02	FY2026/02 (Forecast)
Dividend per share (Yen)	55	60	85	90	90
Interim dividend	(25)	(25)	(35)	(35)	(45)
Total dividend (MM yen)	2,510	2,739	3,880	4,211	4,211
Net profit (consolidated)	4,917	7,540	13,513	9,614	12,400
Dividend payout ratio	50.6%	36.1%	28.5%	43.1%	33.6%
ROE	9.4%	13.3%	20.9%	13.1%	15.3%
DOE	4.8%	4.8%	5.9%	5.6%	5.1%

Shareholder Benefits Program Enhancements



Adastria decided to revise our shareholder benefits program in full as of the end of February 2026 to strengthen shareholder relations and enhance investment appeal.

• No. of Shares Held: New tier introduced for holdings between 500 and under 1,000 shares;

extended the benefit eligibility from shareholders with 10,000 shares or more to those holding

1,000 shares or more

Long-Term Holding Period: Increased from two to three years

Distribution Frequency: Split voucher distribution into two installments per year

(Millions of yen)

Shareholde	ers Holding for Less Than Two Years	Shareholders Holding Two Years or More		
Shares Held	Voucher Amount	Shares Held	Voucher Amount	
100 to under 1,000	3,000 yen	100 to under 1,000	5,000 yen	
1,000 to under 10,000	10,000 yen	1,000 to under 10,000	12,000 yen	
10,000 shares or more	20,000 yen	10,000 shares or more	22,000 yen	



Shareholders Holding Less Than 3 Years				Shareholders Holding 3 Years or More			
	Shareholder Benefit				Shareholder Benefit		
Shares Held	Record Date: End of February	Record Date: End of August	Annual Total	Shares Held	Record Date: End of February	Record Date: End of August	Annual Total
100 to under 500	1,500 yen	1,500 yen	3,000 yen	100 to under 500	2,500 yen	2,500 yen	5,000 yen
500 to under 1,000	5,000 yen	5,000 yen	10,000 yen	500 to under 1,000	6,000 yen	6,000 yen	12,000 yen
1,000 shares or more	10,000 yen	10,000 yen	20,000 yen	1,000 shares or more	11,000 yen	11,000 yen	22,000 yen

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.



A D A S T R I A Play fashion!

