

**WA inc.**

# **Financial Results Supplementary Materials for the Nine Months Ended October 31, 2025**



**December 15, 2025**

Tokyo Stock Exchange Prime Market  
Securities code: 7683



## Summary of financial results for the nine months ended October 31, 2025



# Executive Summary



**Net sales**

**16.81** billion yen  
YoY +2.6%

**Operating  
profit**

**0.75** billion yen  
YoY -32.9%

Although sales increased, profit decreased YoY due to factors such as the increase in selling, general, and administrative expenses for growth investments, etc.

The earnings forecast for the current fiscal year has been revised with lower net sales and profit at each level (see details on page 5).

## Expanding our business domain

- Started selling men's sneakers under the ORTR and Himiko brand.
- We will expand the business using our planning and design capability as well as our production expertise for men's sneakers.

## Strong performance of fall & winter merchandise

- Sales for November alone were **120%** compared to the same month of the previous year due to the strong performance of fall & winter merchandise.
- Although November belongs in Q4 and its performance is not reflected in Q3, the various types of initiatives we implemented in Q3 enabled us to **achieve a strong start in the busy season of Q4.**



# Business Performance (Consolidated)



- Sales increased by +2.6% YoY due to increased sales from new stores becoming fully operational and an increase in the number of stores from business acquisitions.
- Profit decreased due to the weak yen and the increase in expenses relating to store renovations and business acquisitions and selling, general, and administrative expenses such as personnel expenses.

Consolidated (Unit: Millions of yen)	9M FY1/2025		9M FY1/2026		YoY	
	Amount	Sales ratio	Amount	Sales ratio	Change in amount	Rate of change
Net sales	16,384	—	<b>16,815</b>	—	+431	+2.6%
Cost of sales	6,202	37.9%	<b>6,424</b>	<b>38.2%</b>	+222	+3.6%
Gross profit	10,182	62.2%	<b>10,390</b>	<b>61.8%</b>	+208	+2.0%
Selling, general, and administrative expenses	9,056	55.3%	<b>9,635</b>	<b>57.3%</b>	+578	+6.4%
Operating profit	1,125	6.9%	<b>755</b>	<b>4.5%</b>	(370)	(32.9%)
Ordinary profit	1,071	6.5%	<b>887</b>	<b>5.3%</b>	(183)	(17.2%)
Net profit	613	3.7%	<b>509</b>	<b>3.0%</b>	(104)	(17.0%)



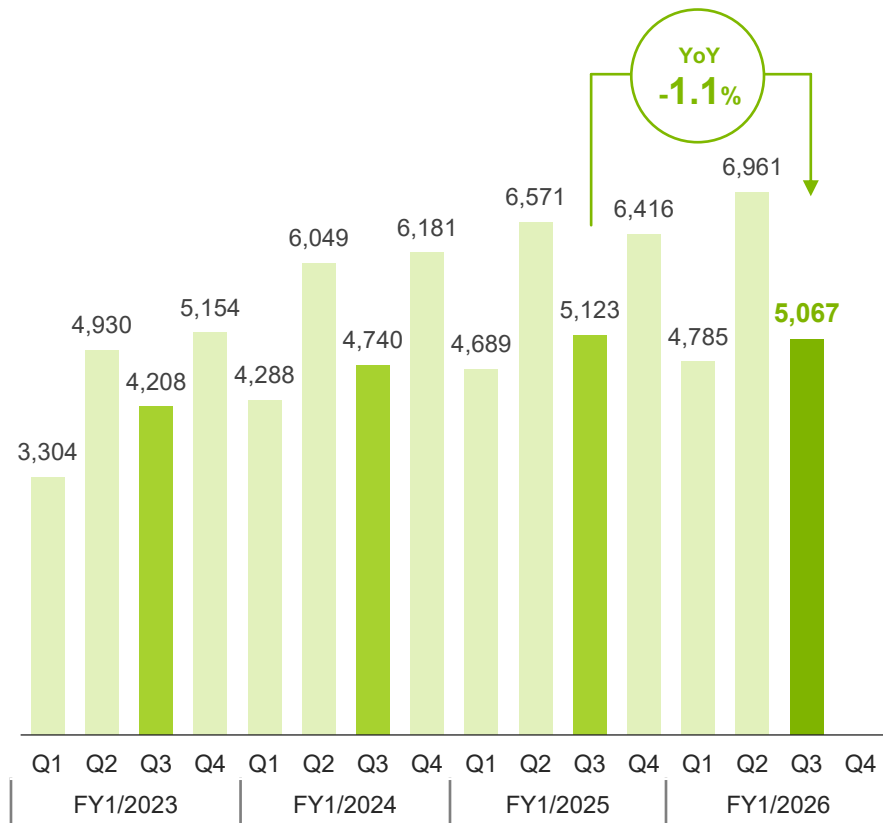
# Quarterly Trends



- Sales decreased YoY because of the hot weather in September and October, which created less demand for fall merchandise.
- Profit decreased YoY as the apparel brand “31 Sons de mode,” acquired in April, was still in the pre-full-scale launch phase, which weighed on profit. The weak yen was also a factor in causing lower profit.

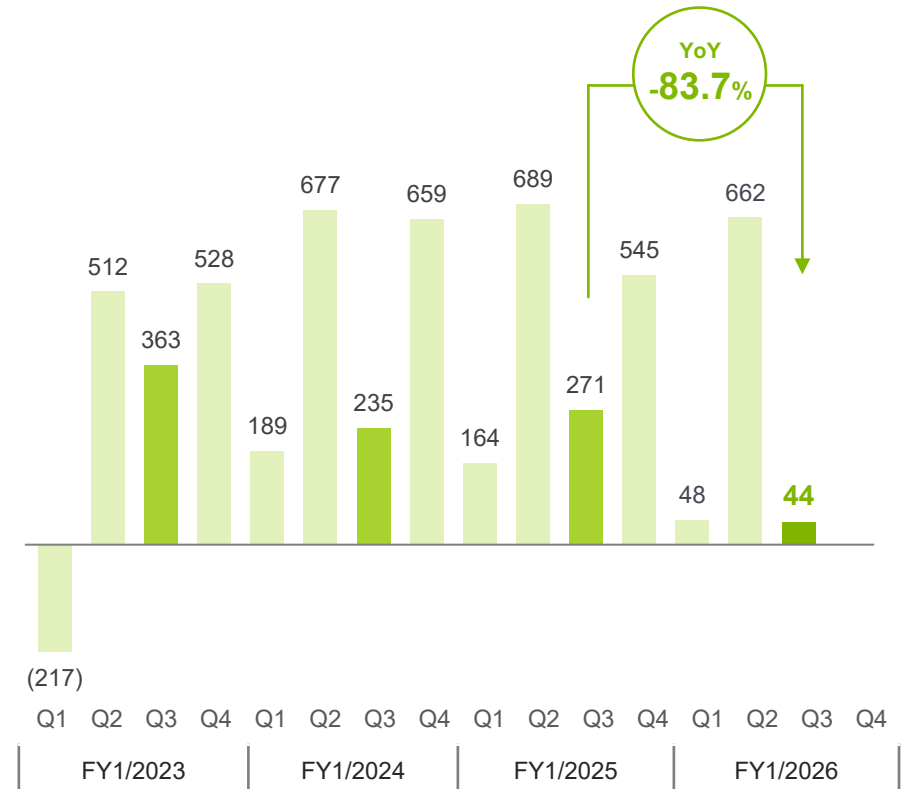
## Net sales

(Unit: Millions of yen)



## Operating profit

(Unit: Millions of yen)





## Revision for Consolidated Earnings Forecast (Downward Revision)



- **Net sales:** Despite this downward revision, we expect record sales at +4.8% YoY.
- **Operating profit:** After carefully examining the effect of the decrease in net sales, increased selling, general, and administrative expenses, and the impact of the weak yen, the earnings forecast was revised downwards.

(Reference)

(Unit: Millions of yen)	FY1/2026	FY1/2026	Initial forecast vs revised forecast		FY1/2025
	Initial forecast	Revised forecast	Change	%	Results
Net sales	26,527	<b>23,901</b>	<b>(2,626)</b>	<b>(9.9%)</b>	22,800
Operating profit	2,484	<b>1,286</b>	<b>(1,197)</b>	<b>(48.2%)</b>	1,670
Ordinary profit	2,483	<b>1,424</b>	<b>(1,059)</b>	<b>(42.6%)</b>	1,587
Net profit	1,477	<b>832</b>	<b>(645)</b>	<b>(43.7%)</b>	996



# Forecast Revision Factors, Measures, and Effect



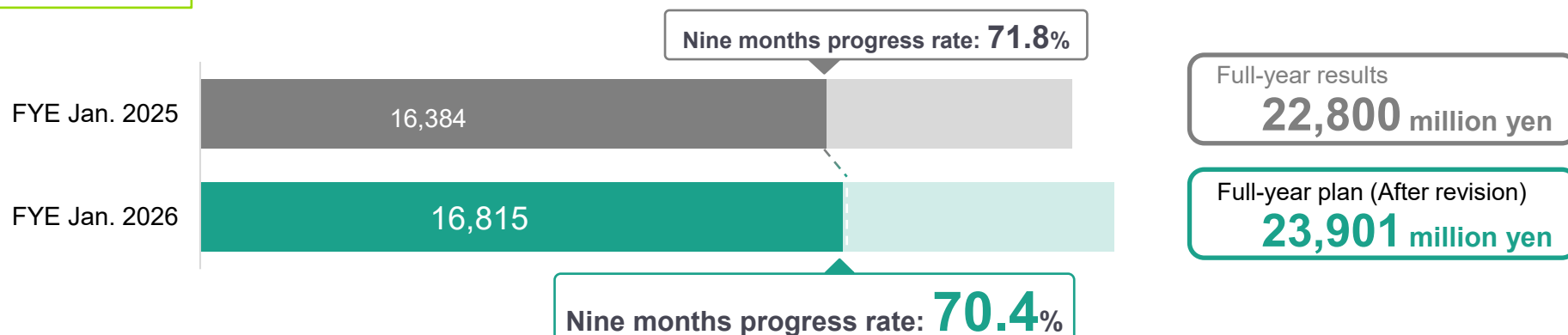
## Revision factors

		Details	Measures and effect, etc.
1	<div>Growth investment</div> “31 Sons de mode”	The timing for profitability of “31 Sons de mode,” the apparel brand acquired in April, has been pushed back to a later date compared to the initial forecast.	We will close unprofitable stores at the end of this fiscal year then redistribute management resources to priority areas. Since we have achieved a strong start in sales of winter merchandise, we will aim to achieve profitability from the next fiscal year.
2	Weak yen	Assumed initial forecast exchange rate: 1 US\$ = ¥150 (End of November 2025, 1 US\$ = ¥156)	We will continue to implement exchange rate measures that assume a weak yen.
3	Change in fiscal year end for Hong Kong subsidiary	Since the fiscal year end for our Hong Kong subsidiary was changed from January to December, this fiscal year will have an irregular period of 11 months.	This will not affect the next fiscal year onwards.
4	<div>Growth investment</div> Relocation of “Himiko” headquarters	The headquarters of “Himiko,” our subsidiary, will relocate to our headquarters building on December 20 and relocation expenses will accompany this move. (This was not recorded in the initial forecast.)	This will further strengthen collaboration between the Group, and we can expect a synergy effect in such areas as merchandise planning and business optimization.

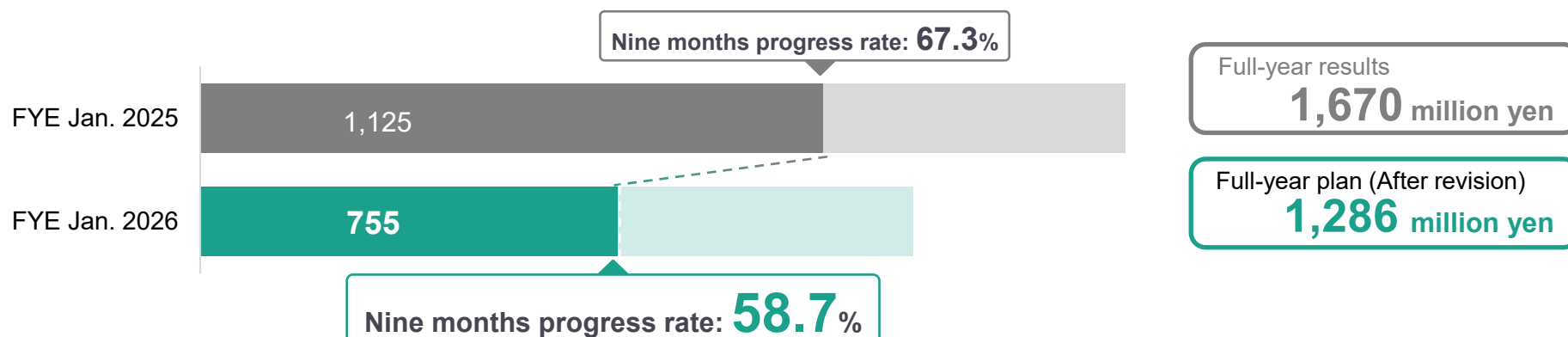
# Progress Rate of Nine Months vs. Full-Year Earnings Forecast After Revision

- The progress rate of operating profit is lower than last year, therefore we are revising the full-year earnings forecast.
- Q4 is the busy season and fall and winter merchandise is performing well, so we are aiming to achieve the revised forecast.

## Net sales



## Operating profit



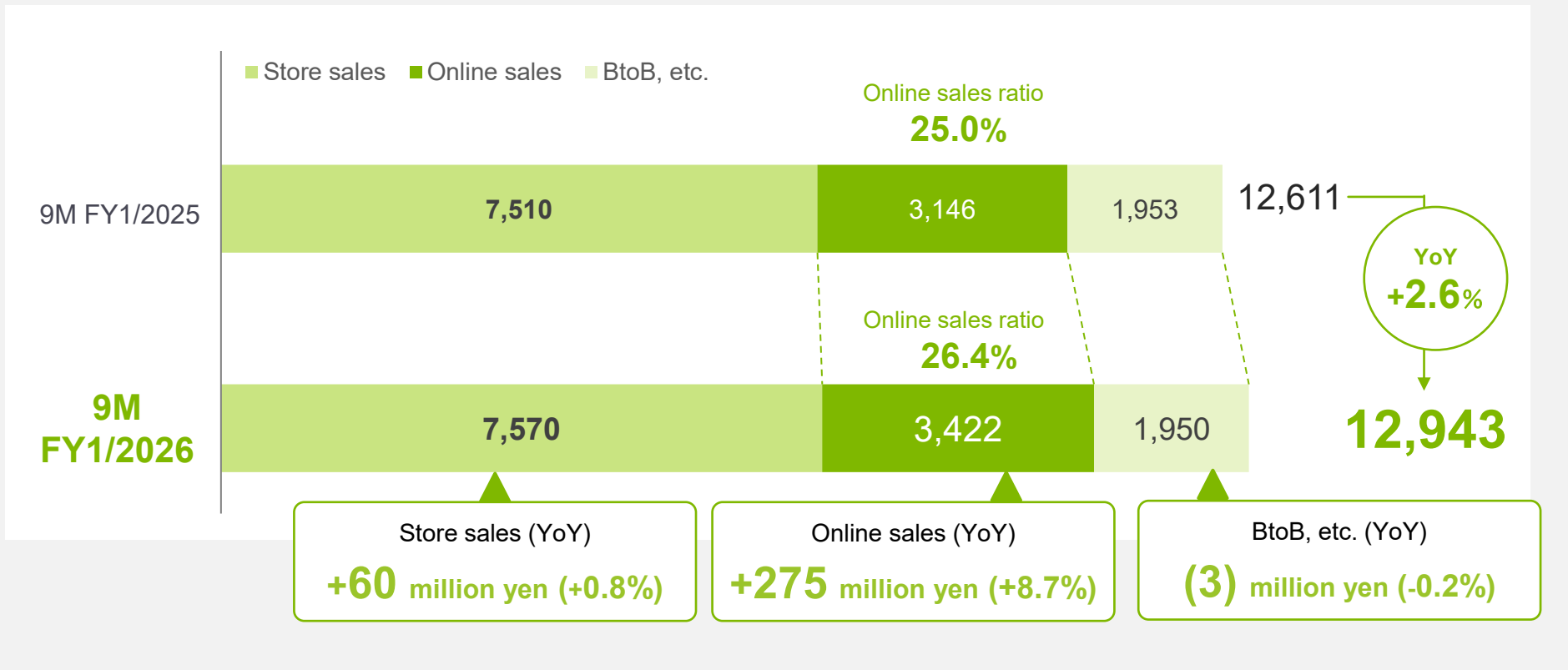


# WA inc. (Non-Consolidated) Breakdown of Net Sales by Sales Channel

- Store sales increased only by a small amount YoY because of the hot weather in September and October that created less demand for fall merchandise.
- Online sales grew steadily, resulting in a +2.6% YoY increase in net sales.

## WA inc. (non-consolidated) net sales

(Unit: Millions of yen)

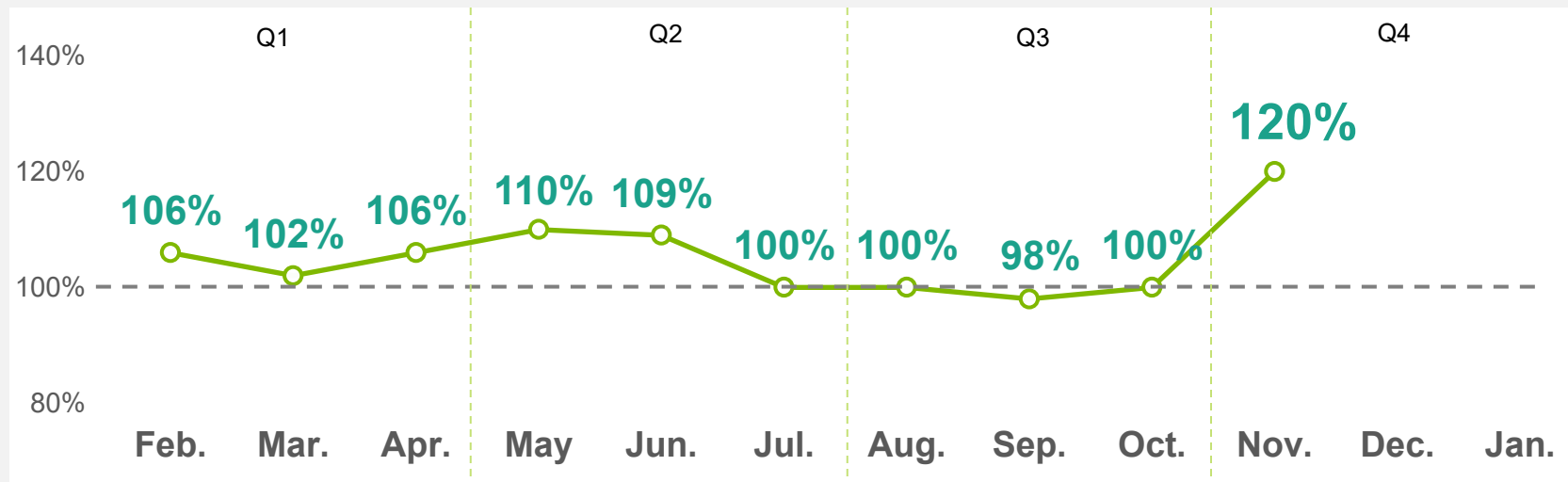




## WA inc. (Non-Consolidated) Monthly Net Sales Trend

- Q3 net sales remained at almost the same level compared to the same month of the previous year.
- Sales for November increased to 120% compared to the same month of the previous year because of the strong performance of fall & winter merchandise.

WA inc. (non-consolidated) monthly net sales versus same month of the previous year



WA inc. (non- consolidated)	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	Jan.
Total	106%	102%	106%	110%	109%	100%	100%	98%	100%	120%		
Stores	91%	94%	97%	104%	103%	107%	118%	101%	91%	124%		
Online	113%	113%	112%	109%	109%	111%	112%	113%	107%	115%		
Other (BtoB, etc.)	164%	122%	132%	153%	151%	56%	54%	72%	118%	117%		

# Store Openings and Closings



## In Japan

### WA inc. (non-consolidated)



- Net increase of 25 stores
  - 12 store openings, 3 store closures
  - 31 Sons de mode succession (12 physical stores, 4 EC stores)

### Himiko

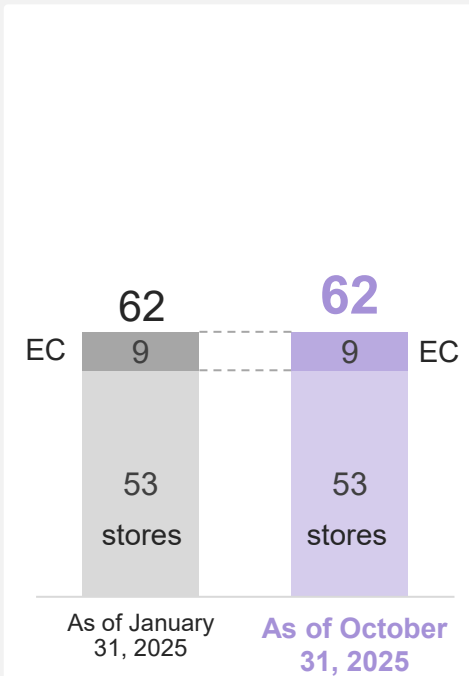


- Net change of 0 store
  - 3 store openings, 3 store closures

### WA inc. (non-consolidated)



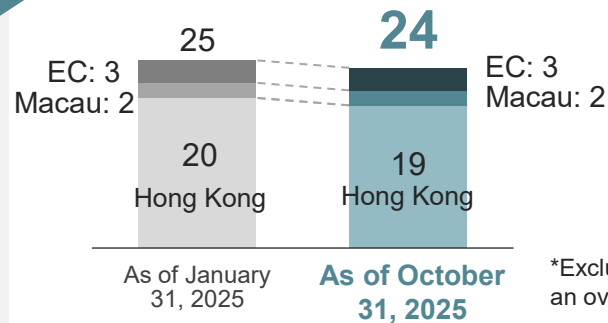
### Himiko



## Overseas



- Net decrease of 1 store (0 store openings, 1 store closure)



\*Excluding stores in Taiwan operated under an overseas sales license agreement



# Financial Position

(Unit: Millions of yen)



	As of January 31, 2025	As of October 31, 2025	Change
<b>Current assets</b>	<b>10,001</b>	<b>9,876</b>	<b>(125)</b>
Cash and deposits	2,895	1,969	(925)
Notes and accounts receivable - trade	2,002	1,607	(394)
Inventories	4,582	5,855	+1,272
Other	520	443	(77)
<b>Non-current assets</b>	<b>3,133</b>	<b>3,399</b>	<b>+266</b>
Property, plant and equipment	1,342	1,322	(20)
Intangible assets	25	21	(3)
Investments and other assets	1,765	2,055	+290
<b>Total assets</b>	<b>13,134</b>	<b>13,276</b>	<b>+141</b>
<b>Total liabilities</b>	<b>2,385</b>	<b>2,428</b>	<b>+43</b>
Current liabilities	1,819	1,912	+92
Non-current liabilities	565	516	(49)
<b>Total net assets</b>	<b>10,749</b>	<b>10,847</b>	<b>+97</b>
<b>Total liabilities and net assets</b>	<b>13,134</b>	<b>13,276</b>	<b>+141</b>
<b>Equity ratio</b>	<b>81.8%</b>	<b>81.7%</b>	<b>-0.1 points</b>