



ANNUAL REPORT 2023

Year Ended December 31, 2023

To Our Shareholders



Kazuhiro Tada
President and Representative
Director

Adhering to its corporate philosophy that the “Customer Comes First,” the LOOK Group is committed to creating new lifestyles and values to help enhance people’s everyday lives. Our basic policy is to meet the expectations of customers and all other stakeholders who support us, and thus improve their quality of life.

As reflected in our corporate philosophy, it gives us great pleasure to satisfy and impress our customers. Our mission is to provide products and services that bring satisfaction and joy to them. We will help create a diverse, affluent society by consistently generating values that resonate in people’s hearts while responding appropriately to the changing times and business environment.

With nine consolidated subsidiaries in Japan and overseas, the LOOK Group is building a solid business foundation domestically while expanding its business globally, including in South Korea, Europe, and the United States.

In February of this year, we announced our medium-term business plan ending in 2028, which we will focus on further expanding the revenue base, enhancing capital policies, and strengthening ESG strategies. We will steadily implement these measures to pursue business strategies and efficient management aimed at establishing a stable profit structure and will further enhance our corporate value.

Contents

To Our Shareholders.....	1
Financial Highlights	2
Review of Operations.....	3
New Medium-Term Business Plan (2024–2028).....	5
Management’s Discussion and Analysis / Business Risks.....	6
Consolidated Financial Statements	8
Principle Notes to Consolidated Financial Statements	17

Financial Highlights

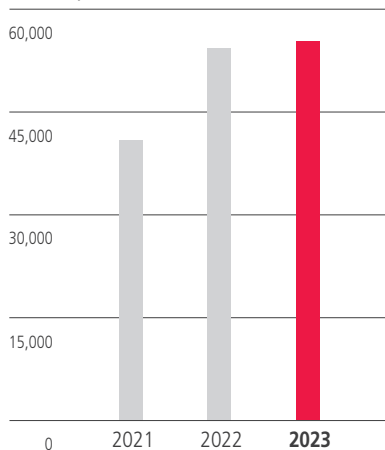
LOOK HOLDINGS INC. and Subsidiaries
Years ended December 31, 2022 and 2023

Millions of yen			Thousands of U.S. dollars			
2022			2023			
2022			2023			
At year-end:						
Total current assets	¥	28,035	¥	27,932	\$	196,945
Total current liabilities		12,219		11,165		78,726
Short-term loans		2,530		3,030		21,364
Total shareholders' equity		26,741		28,798		203,049
For the year:						
Net sales	¥	54,687	¥	55,475	\$	391,140
Operating income		3,703		3,069		21,640
Ordinary income		4,005		3,578		25,234
Net income attributable to owners of parent		2,665		2,458		17,337
					U.S. dollars	
Per share data:						
Net income	¥	355.24	¥	333.49	\$	2.35
Cash dividends		60.00		80.00		0.56
Financial indicators:						
Return on equity (ROE)		9.5%		7.6%		
Operating income margin		6.8		5.5		

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

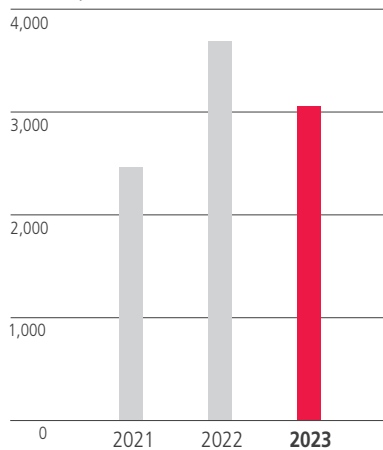
Net Sales

(Millions of yen)



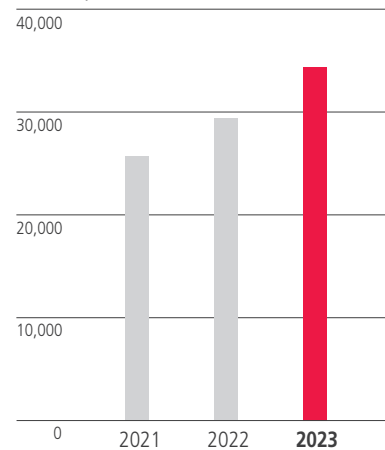
Operating Income

(Millions of yen)



Total Net Assets

(Millions of yen)



Review of Operations

Performance Overview

Consolidated Results

Net sales	¥55,475 million (up 1.4% YoY)
Operating income	¥3,069 million (down 17.1%)
Ordinary income	¥3,578 million (down 10.7%)
Net income attributable to owners of parent	¥2,458 million (down 7.7%)

LOOK HOLDINGS INC. (the "Company") and its subsidiaries (collectively, the "Group") have continued to push forward with the key measures set forth in the medium-term business plan which completed in the fiscal year ended December 31, 2023 ("fiscal 2023"), while flexibly adapting to changes in the business environment. We worked on measures to strengthen the e-commerce business and

focused on sales at physical stores in response to the easing of COVID-19 restrictions. At the same time, we strived to thoroughly streamline management mainly by discontinuing unprofitable businesses.

As a result, consolidated results for fiscal 2023 were as follows: net sales were ¥55,475 million (up 1.4% year on year), operating income was ¥3,069 million (down 17.1% year on year), ordinary income was ¥3,578 million (down 10.7% year on year), and net income attributable to owners of parent was ¥2,458 million (down 7.7% year on year). Notably, ordinary income exceeded the targeted amount of ¥3,000 million set in the medium-term business plan.

Performance by Business Segment

Apparel Business

In "Japan," SCAPA enjoyed strong sales thanks to brisk sales of jacket items throughout the year as well as to measures to strengthen customer engagement, such as holding events for special ordering, on the back of the recovering trend in customer visits to directly managed stores and department stores. Meanwhile, sales of our mainstay brand, Marimekko, remained robust mainly as a result of strong sales in the bag category as well as efforts to enhance the sales of regularly priced products, including those to capture demand from inbound tourists. As for A.P.C., we focused on improving the presence of the brand by holding a music event for the first time in five years and offering workshops for customers. Also, A.P.C. experienced growth in wholesale to major multi-brand shops, boosting the brand's sales. We also worked to acquire new customers for IL BISONTE by opening its official account on Instagram and LINE to deliver more information through social media, as well as taking measures to increase its brand value by releasing co-branded products featuring GREGORY and other brands. In the e-commerce business, we continued working to improve customer convenience for example by expanding the in-store pickup service, while strengthening measures to cater to gifting demand by releasing e-commerce exclusive gift sets and expanding the gift wrapping service. However, the e-commerce business saw a decline in sales, reflecting growing customer visits to physical stores following the easing of COVID-19 restrictions. As a result, the Group's net sales in Japan were ¥23,780 million (down 0.9% year on year) and operating income was ¥1,818 million (up 2.6% year on year).

In "Korea" (South Korea), the business environment remained challenging in the face of a downswing in both customer footfall and sales at department stores mainly because consumer sentiment weakened amid soaring prices and active spending shifted to overseas travel destinations. It did not help either that the consumption by inbound tourists were weak as seen in the delayed recovery in sales to tourists from China. I.D. LOOK LTD. and I.D. JOY LTD. also experienced a decline in sales at shop-in-shops, which are their mainstay market, but online stores, including its IDLOOKMALL e-commerce site, performed strongly, as did sale-price products at outlet shops. As a result, in Korea, the Group posted net sales of ¥29,164 million (up 2.8%

year on year) and operating income of ¥1,894 million (down 31.2% year on year).

In "Europe," sales was robust, mainly at directly managed stores in Italy with increased tourists from the U.S.A. and other parts of Europe, as well as in the mainstay wholesale business. As a result, in Europe, the Group posted net sales of ¥4,727 million (up 7.6% year on year) and operating income of ¥142 million (up 11.8% year on year).

In "Other Abroad" (Hong Kong, China, and the U.S.A.), while sales of the retail business of IL BISONTE in the U.S.A. increased, we discontinued businesses in Hong Kong and China as their profitability deteriorated. Accordingly, net sale in "Other Abroad" amounted to ¥340 million (down 24.9% year on year) with an operating loss of ¥49 million (an operating loss of ¥99 million for the previous fiscal year).

Consequently, the Group's Apparel Business segment posted net sales of ¥58,012 million (up 1.4% year on year) and operating income of ¥3,806 million (down 16.4% year on year).

Production and OEM Business

LOOK MODE INC., which handles the Group's Production and OEM Business segment, reported increases in both intra-group net sales and orders received from outside customers, resulting in net sales of ¥2,449 million (up 4.4% year on year) and operating income of ¥68 million (up 179.4% year on year).

Logistics Business

L. LOGISTICS INC., which is responsible for the Group's Logistics Business segment, reported net sales of ¥1,143 million (down 4.3% year on year) and operating income of ¥22 million (down 52.1% year on year) due to decreased intra-group net sales.

Food & Beverage Business

In the Food & Beverage Business segment, Gelateria Marghera, an Italian gelato brand operated by LOOK INC., reported net sales of ¥6 million (¥53 million for the previous fiscal year) and an operating loss of ¥6 million (an operating loss of ¥27 million for the previous fiscal year). The Group discontinued the Gelateria Marghera business in April 2023 due to a lack of profit potential.

Outlook for Fiscal 2024 and Consolidated Forecasts

During fiscal 2024, although the Japanese economy is expected to show a gradual recovery, the economic outlook is likely to remain uncertain mainly due to surging prices, including raw materials and energy prices, trends in the foreign exchange market, concerns over an economic downturn overseas, and heightened geopolitical risks.

Under such circumstances, the Group has formulated a new medium-term business plan ending in 2028, with the aim of further enhancing its corporate value.

During the period covered by the previous medium-term business plan (2019–2023), the Group made IL Bisonte S.p.A. in Italy a subsidiary and moved forward to expand the number of its stores so as to perpetuate the presence of IL BISONTE as a profitable business in Japan. At the same time, the Group focused on establishing a revenue base by developing new stores of its mainstay brands, Marimekko and A.P.C., while withdrawing from unprofitable businesses. As for new businesses, we kicked off the sales of A.P.C. GOLF in South Korea and Japan ahead of the rest of the world and promoted the development of new business categories, including IL BISONTE JEWELRY. To expand the e-commerce business, we relocated our logistics bases to improve data linkage with physical store inventories and strengthen the provision of flexible services to customers by internalizing our e-commerce logistics operations.

In an effort to strengthen governance, the Group strove to increase the ratios of both external and female directors. Even amid the COVID-19 pandemic, we responded flexibly to a drastically changing business environment and established a stable management base, while at the same time maintaining stable shareholder returns.

Through these efforts, in fiscal 2022, the Group had successfully achieved ordinary income of ¥3,000 million, the target set for fiscal 2023, one year ahead of the plan. In such an environment, the Group will work to further enhance its corporate value under the new medium-term business plan with particular focus on the following three measures: 1. Further expanding the revenue base; 2. Enhancing capital policies; and 3. Strengthening ESG strategies.

To further expand the revenue base, we are planning to open around 30 lifestyle brand stores, our mainstay, in Japan, and around 30 mainstay Korean brand stores abroad, totaling around 60 new stores at home and abroad. In the e-commerce business, we will persistently pursue customer satisfaction through efforts wherein Online Merges with Offline (OMO), aiming to achieve Group-wide net sales in e-commerce of ¥14,000 million or 20% of the Group's total net sales. We are accelerating new store openings in North America, leveraging the IL BISONTE N.Y. flagship store. We started considering expanding our

business into Southeast Asia and other new areas. As for new business development, the Group targets sales of ¥3,000 million in 2028. We aim to achieve this through responding to changing customer needs by searching worldwide for new brands that inspire value in “fashion, food, living and beauty” as candidates for partnerships, M&As, or other forms of business alliance and steadily implementing them. In Japan, we are planning to introduce Smythson, a British high-end stationary and leather goods brand, with sales starting in spring 2025. Meanwhile, in South Korea, we will introduce fashion brands FURSAC, from France, and MSGM, from Italy, with sales to start in spring and fall 2024, respectively.

To enhance capital policies, we aim to improve ROE and the Price Earnings Ratio (PER) and achieve a Price Book-value Ratio (PBR) of 1x by pursuing both growth and profitability, strengthening shareholder returns, and enhancing disclosure to investors as part of our efforts to achieve management conscious of cost of capital and stock price. We will enhance capital policies to facilitate the return of profits to shareholders through such means as enriching our shareholder benefit program, including raising the benefit amount for shareholders as of December 31, 2023, and raising the payout ratio to 30% or higher (minimum amount to be the adjusted Dividend On Equity ratio (DOE) of 2.0%) for dividends from fiscal 2024 onward.

To strengthen ESG strategies, we will promote business activities that are more considerate of the environment by expanding the in-store collection of used clothes, switching to eco-friendly subsidiary materials, and measuring and visualizing our greenhouse gas emissions.

Further, to maximize the Group's corporate value, we will develop a working environment where each of the employees can fully demonstrate their abilities and individuality and recognize their own fulfillment and growth. At the same time, we aim to establish a sustainable supply chain by disclosing the Group's policies on human rights and procurement.

To further enhance corporate value, the Group will put these measures to action and press forward with business strategies and streamlined operations to establish a stable profit structure, in an aim to achieve consolidated net sales of ¥70,000 million and consolidated operating income of ¥5,000 million by 2028, the final year of the new medium-term business plan.

For fiscal 2024, we expect net sales of ¥57,000 million (up 2.7% year on year), operating income of ¥3,400 million (up 10.8% year on year), ordinary income of ¥3,600 million (up 0.6% year on year), and net income attributable to owners of parent of ¥2,500 million (up 1.7% year on year) on a consolidated basis.

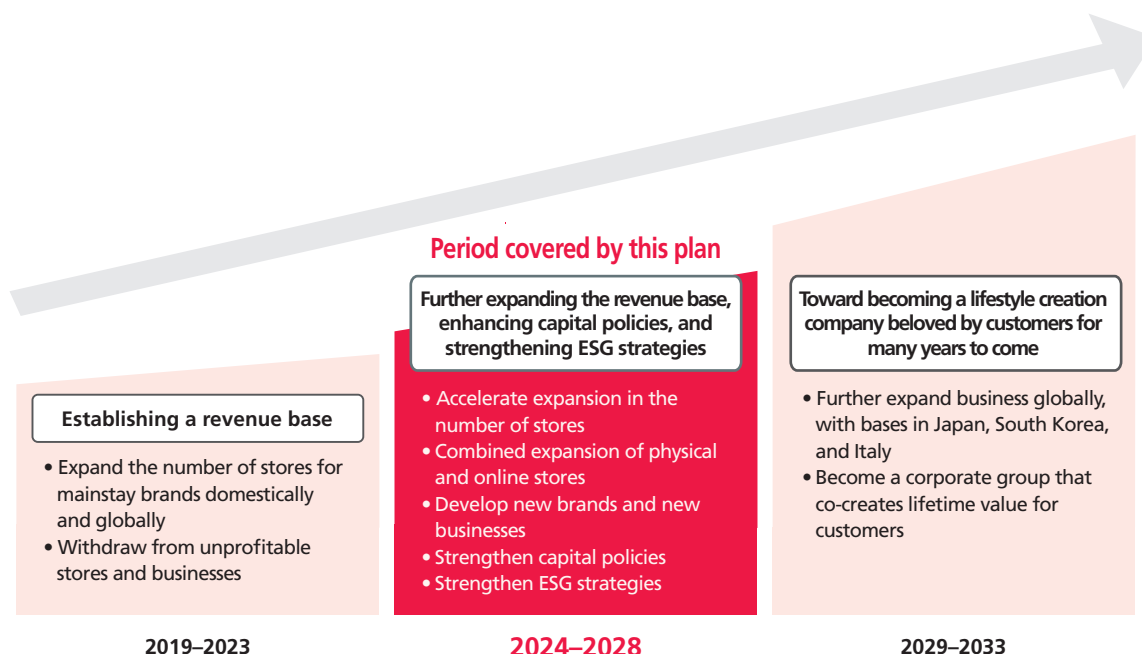
Consolidated Forecasts and Medium-Term Business Plan Targets

	FY2024 forecasts	FY2028 targets
Net sales	¥57,000 million	¥70,000 million
Operating income	¥3,400 million	¥5,000 million
Ordinary income	¥3,600 million	
Net income attributable to owners of parent	¥2,500 million	

New Medium-Term Business Plan (2024–2028)

The Group has formulated a medium-term business plan (2024 to 2028) ending in 2028.

To achieve our long-term vision of becoming a “lifestyle creation company beloved by customers for many years to come,” during the period covered by this plan we will focus on further expanding the revenue base, enhancing capital policies, and strengthening ESG strategies.



Targets

Performance targets

Net sales

¥70,000 million

Japan: ¥30,000 million /
Overseas: ¥40,000 million

Operating income

¥5,000 million

Operating income margin

7% or higher

Targeted management indicators

Dividend payout ratio

30% or higher

(minimum dividend amount to be the adjusted DOE* of 2.0%)

ROE

10%

*Dividends paid ÷ Adjusted equity at previous year-end (equity that excludes temporary fluctuations such as foreign currency translation adjustments)

Measures

Further expanding the revenue base

To achieve net sales of ¥70,000 million and operating income of ¥5,000 million by the fifth year of the plan, we will execute the following growth strategies and strengthen our business foundation to help achieve them:

- **Build a stable revenue base** through the expansion of mainstay brands
- **Strengthen new store openings in new areas** for mainstay brands
- **Transform the purchasing experience** through digital innovation
- **Develop new brands and new businesses** as new pillars of the Company

Enhancing capital policies

We aim to improve ROE and the PER and achieve a PBR of 1x by pursuing both growth and profitability, strengthening shareholder returns, and enhancing disclosure to investors as part of our efforts to achieve management conscious of cost of capital and stock price.

- Strengthen shareholder returns (e.g., by enriching our shareholder benefit program)
- Enhance disclosure to investors (e.g., by expanding financial information on our website and financial results information on external sites)

IR information (Japanese only) can be viewed on our website at:

<https://www.look-holdings.jp/irinfo/>

Strengthening ESG strategies

The LOOK Group is committed to developing business activities aimed at creating a sustainable society.

- Promote eco-friendly business activities
- Respect diversity and improve job satisfaction
- Conduct honest and fair business activities in compliance with the law and corporate ethics, with increased objectivity and transparency

Management's Discussion and Analysis / Business Risks

Management's Discussion and Analysis

Future-related statements contained in the following section are based on the LOOK Group's judgments at the time of submission of the annual securities report for fiscal 2023.

Major Accounting Policies and Estimates

The LOOK Group's consolidated financial statements are based on accounting standards generally accepted in Japan as fair and appropriate.

Financial Position

(1) Assets

As of December 31, 2023, total assets amounted to ¥56,858 million, up ¥2,399 million from a year earlier. This was mainly due to increases of ¥1,009 million in merchandise and finished goods, ¥754 million in marketing related assets, ¥836 million in investment securities, and ¥508 million in assets for retirement benefits, despite a decrease of ¥1,916 million in cash and time deposits.

(2) Liabilities

Total liabilities amounted to ¥22,434 million, down ¥2,110 million from a year earlier. This was due to decreases of ¥957 million in notes and accounts payable - trade and ¥977 million in loans.

(3) Net assets

Total net assets were up ¥4,510 million from a year earlier to

¥34,423 million. This was due primarily to increases of ¥1,995 million in retained earnings and ¥1,737 million in foreign currency translation adjustments. As a result, the equity ratio was 60.5%.

Cash Flows

Net cash provided by operating activities amounted to ¥1,142 million (¥2,840 million provided for the previous fiscal year). This was mainly attributable to income before income taxes of ¥3,342 million and cash inflows due to depreciation and amortization (non-cash item) of ¥1,509 million, which offset cash outflows due to an increase in inventories of ¥920 million, a decrease in notes and accounts payable - trade of ¥1,049 million, and income taxes paid of ¥1,693 million.

Net cash used in investing activities totaled ¥1,576 million (¥884 million used for the previous fiscal year). The main factors included payments for purchase of property, plant and equipment of ¥936 million and payments for purchase of intangible assets of ¥500 million.

Net cash used in financing activities was ¥1,544 million (¥2,480 million used for the previous fiscal year). This was mainly attributable to a net decrease in loans of ¥1,049 million and cash dividends paid of ¥463 million.

As of December 31, 2023, the balance of cash and cash equivalents totaled ¥7,323 million, down ¥1,919 million from a year earlier, as a result of an increase in foreign currency translation adjustments on cash and cash equivalents of ¥58 million as well as the aforementioned cash flow items.

Business Risks

Among the risks and variables that may affect the Group's business and accounting status, those that could have a major influence on the decisions of investors are discussed below. Future-related statements contained in the following section are based on the LOOK Group's judgments at the time of submission of the annual securities report for fiscal 2023.

(1) Economic and consumer trends

Domestic sales account for approximately 45% of the LOOK Group's consolidated net sales. The overall level of personal consumption in the Japanese market—the Group's main market—is expected to have a material impact on the Group's revenue and earnings. The Group strives to accurately grasp customer needs and offer products that meet the demands of the times. It also focuses on developing and fostering new brands that propose new value to the market. However, unforeseeable changes in external circumstances, such as

sharp changes in fashion trends, could have an impact on the Group's business performance. Accordingly, we are working to reduce risk by expanding the development of miscellaneous goods (leather products and the like), which are less susceptible to sudden changes in trends than clothing.

(2) Unseasonal weather and natural disasters, etc.

The Group's business performance is impacted by unseasonal weather. Abnormal weather, such as cold summers or warm winters, discourages consumers from purchasing seasonal products, which could have an impact on the Group's business performance. Natural disasters (including typhoons, earthquakes, and floods) and the outbreak of infectious diseases caused by unknown viruses (such as new types of influenza and pneumonia) can affect the sales activities of business partners and the production activities of affiliated factories, as well as reduce consumption in the

affected regions, which could have an impact on the Group's business performance. Accordingly, the Group formulated crisis management rules, appointed a person in charge, and built a management system in accordance with those rules. As preventive measures against COVID-19, our staff at shop-in-shops in commercial facilities and directly managed stores continue to wear masks and wash hands thoroughly. We also continue to take measures within the company such as encouraging teleworking arrangements and staggered work hours and utilizing web conferencing.

(3) Overseas business and production

Overseas subsidiaries generate approximately 55% of the Group's consolidated net sales. Around 85% of products sold in the domestic market are either manufactured overseas or procured from overseas. Therefore, significant exchange rate fluctuations, political or economic turmoil, unforeseen changes in laws and regulations, unforeseen outbreak of an epidemic, or social upheaval due to terrorism, war or other factors in the Group's main overseas markets and procurement and manufacturing bases could have an impact on the Group's business performance. As such, we are working to reduce risk by expanding our businesses abroad without relying on specific countries or regions and employing forward exchange contracts to hedge against foreign exchange risk, among other measures.

(4) Product quality

If an unforeseen quality problem or product liability incident were to occur related to products sold by the Group, it could damage the reputation of the Group or its brands, which could have an impact on the Group's business performance. Accordingly, we work to reduce risk by engaging in rigorous quality control in accordance with our "Quality Control Manual," "Inspection Control Regulations," "Quality Labeling Control Regulations," and other protocols established as part of our quality control system.

(5) Exclusive distribution agreements and license agreements

In addition to its original brands, the LOOK Group develops brands under exclusive import and distribution agreements

or license agreements. If such agreements cannot be continued due to an unforeseen factor, there could be an impact on the Group's business performance. Accordingly, we are working to reduce risk by developing multiple core brands without excessive reliance on specific imported or licensed brands.

(6) Information management

The LOOK Group possesses a large amount of personal information on the customers of its shop-in-shops in commercial facilities, directly managed stores, and online stores. However, leaking of information due to an unforeseen incident could damage the Group's social credibility and corporate image. This could lead to a decline in sales or claims for compensation, which in turn could have an impact on the Group's business performance. Accordingly, we are working to reduce risk by appointing information management officers to oversee the handling of personal information and rigorously enforcing rules based on internal regulations and management manuals. In addition, as we are using teleworking and other arrangements as a countermeasure against COVID-19, communication pathways between information terminals are protected using authentication and encryption to reduce the risk of internal information leaks.

Consolidated Balance Sheets

LOOK HOLDINGS INC. and Subsidiaries

December 31, 2022 and 2023

	Millions of yen		Thousands of U.S. dollars
	2022	2023	2023
ASSETS			
CURRENT ASSETS:			
Cash and time deposits	¥ 9,240	¥ 7,323	\$ 51,638
Notes and accounts receivable - trade	5,811	6,150	43,363
Merchandise and finished goods	10,701	11,710	82,566
Work-in-process	1,129	1,312	9,254
Raw materials and supplies	462	470	3,320
Other	735	1,014	7,153
Allowance for bad debts	(44)	(49)	(349)
Total current assets	28,035	27,932	196,945
NON-CURRENT ASSETS:			
PROPERTY, PLANT AND EQUIPMENT:			
Buildings and structures	4,436	4,657	32,836
Accumulated depreciation	(2,183)	(2,429)	(17,131)
Buildings and structures, net	2,253	2,227	15,705
Machinery and equipment	180	170	1,201
Accumulated depreciation	(164)	(144)	(1,016)
Machinery and equipment, net	15	26	185
Tools, furniture and fixtures	4,481	5,193	36,619
Accumulated depreciation	(3,581)	(4,282)	(30,191)
Tools, furniture and fixtures, net	899	911	6,428
Land	576	608	4,287
Other	129	135	955
Accumulated depreciation	(50)	(68)	(482)
Other, net	78	67	473
Total property, plant and equipment	3,823	3,840	27,078
INTANGIBLE ASSETS:			
Marketing related assets	10,981	11,736	82,753
Goodwill	3,259	3,400	23,977
Other	714	1,079	7,610
Total intangible assets	14,955	16,216	114,340
INVESTMENTS AND OTHER ASSETS:			
Investment securities	3,140	3,976	28,040
Deferred tax assets	1,689	1,638	11,553
Lease deposit	2,167	2,157	15,209
Assets for retirement benefits	270	779	5,495
Other	569	452	3,191
Allowance for bad debts	(193)	(136)	(960)
Total investments and other assets	7,644	8,868	62,528
Total non-current assets	26,424	28,925	203,946
TOTAL ASSETS	¥ 54,459	¥ 56,858	\$ 400,891

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

Consolidated Balance Sheets

LOOK HOLDINGS INC. and Subsidiaries

December 31, 2022 and 2023

	Millions of yen		Thousands of U.S. dollars
	2022	2023	2023
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Notes and accounts payable - trade	¥ 3,317	¥ 2,360	\$ 16,640
Short-term loans	2,530	3,030	21,364
Current portion of long-term loans	1,686	1,636	11,535
Accounts payable - other	102	50	359
Accrued expenses	2,267	2,254	15,893
Income taxes payable	1,043	661	4,668
Accrued consumption taxes	333	396	2,796
Provision for bonuses	177	167	1,182
Provision for point service	8	9	65
Provision for business restructuring	20	—	—
Asset retirement obligations	78	69	489
Other	652	529	3,735
Total current liabilities	12,219	11,165	78,726
NON-CURRENT LIABILITIES:			
Long-term loans	7,669	6,243	44,021
Deferred tax liabilities	3,505	3,834	27,037
Liabilities for retirement benefits	253	289	2,038
Provision for share awards	14	47	337
Asset retirement obligations	235	231	1,635
Other	646	621	4,384
Total non-current liabilities	12,325	11,268	79,452
Total liabilities	24,545	22,434	158,178
NET ASSETS:			
SHAREHOLDERS' EQUITY:			
Common stock	6,406	6,422	45,282
Capital surplus	1,675	1,691	11,927
Retained earnings	19,337	21,332	150,407
Treasury stock	(677)	(647)	(4,567)
Total shareholders' equity	26,741	28,798	203,049
ACCUMULATED OTHER COMPREHENSIVE INCOME:			
Valuation difference on available-for-sale securities	915	1,343	9,472
Deferred gain (loss) on derivatives under hedge accounting	(17)	(5)	(40)
Foreign currency translation adjustments	2,232	3,970	27,992
Remeasurements of defined benefit plans	41	317	2,240
Total accumulated other comprehensive income	3,172	5,625	39,664
Total net assets	29,913	34,423	242,713
TOTAL LIABILITIES AND NET ASSETS	¥ 54,459	¥ 56,858	\$ 400,891

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

Consolidated Statements of Income

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2022 and 2023

	Millions of yen		Thousands of U.S. dollars
	2022	2023	2023
NET SALES	¥ 54,687	¥ 55,475	\$ 391,140
COST OF SALES	21,076	22,404	157,967
Gross profit	33,611	33,070	233,173
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	29,907	30,001	211,533
Operating income	3,703	3,069	21,640
NON-OPERATING INCOME:			
Interest income	53	59	417
Dividend income	66	92	651
Foreign currency exchange gains (losses), net	233	294	2,075
Rent income	8	7	53
Income from sale of prototypes and samples	22	21	153
Outsourcing service income	5	—	—
Other	136	241	1,702
Total non-operating income	526	716	5,051
NON-OPERATING EXPENSES:			
Interest expenses	89	101	715
Loss on retirement of non-current assets	20	40	286
Loss on accidental damage	41	—	—
Other	71	64	456
Total non-operating expenses	223	206	1,457
Ordinary income	4,005	3,578	25,234
EXTRAORDINARY INCOME:			
Subsidy income	14	—	—
Reversal of allowance for doubtful receivables from subsidiaries and associates	—	52	368
Gain on sale of investment securities	187	—	—
Gain on reversal of asset retirement obligations	1	7	56
Other	—	7	54
Total extraordinary income	204	67	478
EXTRAORDINARY LOSSES:			
Loss on temporary closure of stores etc.	8	—	—
Impairment loss on long-lived assets	136	117	828
Provision of allowance for doubtful receivables from associated companies	9	—	—
Business restructuring expenses	7	—	—
Loss on valuation of shares of associated companies	—	50	355
Loss on withdrawal from the brand	—	119	846
Other	—	16	116
Total extraordinary losses	161	304	2,145
Income before income taxes	4,048	3,342	23,567
INCOME TAXES:			
Income taxes - current	1,463	1,114	7,860
Income taxes - deferred	(79)	(231)	(1,630)
Total income taxes	1,383	883	6,230
NET INCOME	2,665	2,458	17,337
NET INCOME ATTRIBUTABLE TO:			
Owners of parent	¥ 2,665	¥ 2,458	\$ 17,337

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

Consolidated Statement of Comprehensive Income

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2022 and 2023

	Millions of yen		Thousands of U.S. dollars
	2022	2023	2023
NET INCOME	¥ 2,665	¥ 2,458	\$ 17,337
OTHER COMPREHENSIVE INCOME :			
Valuation difference on available-for-sale securities	308	427	3,013
Deferred gain (loss) on derivatives under hedge accounting	(18)	11	81
Foreign currency translation adjustments	1,800	1,737	12,254
Remeasurements of defined benefit plans	(164)	276	1,948
Total other comprehensive income	1,925	2,453	17,296
COMPREHENSIVE INCOME	¥ 4,590	¥ 4,912	\$ 34,633
COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of parent	¥ 4,590	¥ 4,912	\$ 34,633

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

Consolidated Statements of Changes in Net Assets

LOOK HOLDINGS INC. and Subsidiaries

Year ended December 31, 2022

	Millions of yen				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
BALANCE AT BEGINNING OF PERIOD	¥6,389	¥1,658	¥17,005	¥(218)	¥24,834
Cumulative effects of changes in accounting policies			(24)		(24)
Restated balance	6,389	1,658	16,980	(218)	24,809
Changes during period:					
Issuance of new shares	16	16			33
Dividends of surplus			(308)		(308)
Net income attributable to owners of parent			2,665		2,665
Purchase of treasury stock				(499)	(499)
Disposal of treasury stock				40	40
Net changes other than shareholders' equity					
Total changes during period	16	16	2,356	(458)	1,931
BALANCE AT END OF PERIOD	¥6,406	¥1,675	¥19,337	¥(677)	¥26,741

	Millions of yen					
	Accumulated other comprehensive income					
	Valuation difference on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Total net assets
BALANCE AT BEGINNING OF PERIOD	¥607	¥ 1	¥ 432	¥ 205	¥1,247	¥26,081
Cumulative effects of changes in accounting policies						(24)
Restated balance	607	1	432	205	1,247	26,057
Changes during period:						
Issuance of new shares						33
Dividends of surplus						(308)
Net income attributable to owners of parent						2,665
Purchase of treasury stock						(499)
Disposal of treasury stock						40
Net changes other than shareholders' equity	308	(18)	1,800	(164)	1,925	1,925
Total changes during period	308	(18)	1,800	(164)	1,925	3,856
BALANCE AT END OF PERIOD	¥915	¥(17)	¥2,232	¥ 41	¥3,172	¥29,913

Consolidated Statements of Changes in Net Assets

LOOK HOLDINGS INC. and Subsidiaries

Year ended December 31, 2023

	Millions of yen				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
BALANCE AT BEGINNING OF PERIOD	¥6,406	¥1,675	¥19,337	¥(677)	¥26,741
Changes during period:					
Issuance of new shares	16	16			32
Dividends of surplus			(463)		(463)
Net income attributable to owners of parent			2,458		2,458
Purchase of treasury stock				(1)	(1)
Disposal of treasury stock				30	30
Net changes other than shareholders' equity					
Total changes during period	16	16	1,995	29	2,056
BALANCE AT END OF PERIOD	¥6,422	¥1,691	¥21,332	¥(647)	¥28,798

	Millions of yen					
	Accumulated other comprehensive income					Total net assets
	Valuation difference on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	
BALANCE AT BEGINNING OF PERIOD	¥ 915	¥(17)	¥2,232	¥ 41	¥3,172	¥29,913
Changes during period:						
Issuance of new shares						32
Dividends of surplus						(463)
Net income attributable to owners of parent						2,458
Purchase of treasury stock						(1)
Disposal of treasury stock						30
Net changes other than shareholders' equity	427	11	1,737	276	2,453	2,453
Total changes during period	427	11	1,737	276	2,453	4,510
BALANCE AT END OF PERIOD	¥1,343	¥ (5)	¥3,970	¥317	¥5,625	¥34,423

Consolidated Statements of Changes in Net Assets

LOOK HOLDINGS INC. and Subsidiaries

Year ended December 31, 2023

Thousands of U.S. dollars					
Shareholders' equity					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
BALANCE AT BEGINNING OF PERIOD	\$45,168	\$11,813	\$136,340	\$(4,774)	\$188,547
Changes during period:					
Issuance of new shares	114	114			228
Dividends of surplus			(3,270)		(3,270)
Net income attributable to owners of parent			17,337		17,337
Purchase of treasury stock				(7)	(7)
Disposal of treasury stock				214	214
Net changes other than shareholders' equity					
Total changes during period	114	114	14,067	207	14,502
BALANCE AT END OF PERIOD	\$45,282	\$11,927	\$150,407	\$(4,567)	\$203,049

Thousands of U.S. dollars						
Accumulated other comprehensive income						
	Valuation difference on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income	Total net assets
BALANCE AT BEGINNING OF PERIOD	\$6,459	\$(121)	\$15,738	\$ 292	\$22,368	\$210,915
Changes during period:						
Issuance of new shares						228
Dividends of surplus						(3,270)
Net income attributable to owners of parent						17,337
Purchase of treasury stock						(7)
Disposal of treasury stock						214
Net changes other than shareholders' equity	3,013	81	12,254	1,948	17,296	17,296
Total changes during period	3,013	81	12,254	1,948	17,296	31,798
BALANCE AT END OF PERIOD	\$9,472	\$ (40)	\$27,992	\$2,240	\$39,664	\$242,713

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

Consolidated Statements of Cash Flows

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2022 and 2023

	Millions of yen		Thousands of U.S. dollars
	2022	2023	2023
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income before income taxes	¥ 4,048	¥ 3,342	\$ 23,567
Depreciation	1,434	1,509	10,644
Amortization of goodwill	192	212	1,500
Impairment loss on long-lived assets	136	117	828
Increase (decrease) in allowance for bad debts	(0)	(54)	(383)
Increase (decrease) in provision for bonuses	10	(19)	(138)
Increase (decrease) in provision for sales returns	(31)	—	—
Increase (decrease) in provision for point service	1	0	4
Increase (decrease) in provision for share awards	14	33	238
Decrease (increase) in assets for retirement benefits	(123)	(119)	(846)
Increase (decrease) in liabilities for retirement benefits	25	26	187
Interest and dividend income	(119)	(151)	(1,068)
Interest expenses	89	101	715
Loss on retirement of non-current assets	20	40	286
Loss (gain) on sale of non-current assets	(0)	(5)	(35)
Loss on withdrawal from the brand	—	119	846
Foreign exchange losses (gains)	(121)	21	148
Decrease (increase) in trade notes and accounts receivable	(248)	(228)	(1,610)
Decrease (increase) in inventories	(1,847)	(920)	(6,492)
Increase (decrease) in trade notes and accounts payable	444	(1,049)	(7,399)
Decrease (increase) in advance payments to suppliers	4	14	103
Decrease (increase) in prepaid expenses	15	(104)	(739)
Loss (gain) on sale of investment securities	(187)	—	—
Subsidy income	(14)	—	—
Decrease (increase) in accounts receivable - other	10	(38)	(271)
Increase (decrease) in accrued expenses	209	(165)	(1,169)
Increase (decrease) in accrued consumption taxes	(195)	152	1,072
Other, net	(6)	(104)	(737)
Subtotal	3,761	2,730	19,251
Interest and dividend income received	115	152	1,073
Interest expenses paid	(97)	(46)	(327)
Income taxes paid	(983)	(1,693)	(11,938)
Subsidy income received	44	—	—
Net cash provided by operating activities	2,840	1,142	8,059

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

Consolidated Statements of Cash Flows

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2022 and 2023

	Millions of yen		Thousands of U.S. dollars
	2022	2023	2023
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from time deposits	252	—	—
Payments for purchase of property, plant and equipment	(640)	(936)	(6,602)
Proceeds from sale of property, plant and equipment	0	5	35
Payments for purchase of intangible assets	(197)	(500)	(3,529)
Payments for purchase of investment securities	(503)	(170)	(1,201)
Proceeds from sale of investment securities	238	—	—
Loan advances	(22)	(8)	(58)
Proceeds from collection of long-term loans receivable	13	103	731
Payments for lease deposit	(71)	(97)	(689)
Proceeds from lease deposit	140	149	1,052
Payments for asset retirement obligations	(96)	(25)	(176)
Payments for purchase of shares of associated companies	—	(90)	(635)
Other, net	2	(6)	(44)
Net cash used in investing activities	(884)	(1,576)	(11,116)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from short-term loans	165	2,479	17,482
Repayment of short-term loans	(1,022)	(2,029)	(14,309)
Proceeds from long-term loans	1,213	700	4,935
Repayment of long-term loans	(2,000)	(2,199)	(15,506)
Cash dividends paid	(308)	(463)	(3,269)
Purchase of treasury stock	(499)	(1)	(7)
Proceeds from sale of treasury stock	51	50	359
Repayments of lease obligations	(80)	(81)	(574)
Net cash used in financing activities	(2,480)	(1,544)	(10,889)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	402	58	413
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(122)	(1,919)	(13,533)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,365	9,243	65,171
CASH AND CASH EQUIVALENTS AT END OF YEAR	¥ 9,243	¥ ¥7,323	\$ 51,638

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥141.83 to US\$1, the approximate rate of exchange at December 30, 2023.

Notes to Consolidated Financial Statements

NOTE REGARDING GOING CONCERN ASSUMPTION

Not applicable.

SIGNIFICANT MATTERS OF BASIS OF PREPARING CONSOLIDATED FINANCIAL STATEMENTS

Changes in scope of consolidation or equity method

Material changes in scope of consolidation

LOOK (H.K) LTD., LOOK CHINA CO., LTD., and Il Bisonte Asia Limited have been excluded from the scope of consolidation as they have been dissolved and the liquidation was completed during the fiscal year ended December 31, 2023. The Group has consolidated the companies' non-consolidated statements of income for the period up to the completion of their liquidation. Bisonte Italia Holding S.r.l. was excluded from the scope of consolidation as it was merged into its subsidiary Il Bisonte S.p.A. through an absorption-type merger during the fiscal year ended December 31, 2023. The Group has consolidated the company's non-consolidated statements of income for the period up to the completion of its liquidation.

CHANGES IN ACCOUNTING POLICIES

Application of implementation guidance on accounting standard for fair value measurement

The Group has applied the "Implementation Guidance on Accounting Standard for Fair Value Measurement" (Accounting Standards Board of Japan (ASBJ) Guidance No. 31, June 17, 2021; hereinafter the "Fair Value Measurement Guidance") from the beginning of the fiscal year ended December 31, 2023, and will prospectively apply the new accounting policies prescribed by the Fair Value Measurement Guidance, in accordance with the transitional treatment stipulated in Paragraph 27-2 of the Guidance. This change does not impact the consolidated financial statements.

ADDITIONAL INFORMATION

Application of practical solution on the accounting and disclosure under the group tax sharing system

The Company and its domestic consolidated subsidiaries have transitioned from the consolidated taxation system to the group tax sharing system from the fiscal year ended December 31, 2023. Accordingly, national and local income taxes and tax effect accounting are accounted for and disclosed in accordance with the "Practical Solution on the Accounting and Disclosure Under the Group Tax Sharing System" (Practical Solution No. 42, August 12, 2021; hereinafter, "Practical Solution No. 42"). In accordance with Paragraph 32 (1) of Practical Solution No. 42, the Group considers that there is no impact from changes in accounting policies due to the application of the Practical Solution.

SEGMENT INFORMATION, ETC.

Segment information

1. Overview of reportable segments

(1) Methods of determining reportable segments

The reportable segments of the Group are the business units for which the Company is able to obtain respective financial information separately in order for the Board of Directors to conduct periodic investigations to determine the distribution of management resources and evaluate their business results.

(2) Types of products and services in each reportable segment

The Group engages in planning, producing, importing and selling apparel and related accessories, and the Company is a pure holding company of the Group. In the apparel related business, two domestic consolidated subsidiaries in Japan and five foreign consolidated subsidiaries abroad manage the business activities. In the Production and OEM Business, one domestic consolidated subsidiary manages the business activities, engaging in the production and OEM of apparel related accessories for the Group companies and other companies outside the Group. In the Logistics Business, one domestic consolidated subsidiary manages the business activities, receiving, shipping and storing apparel related accessories mainly for the Group companies. In the apparel related business, the Company established local business bases in Japan, Korea, Europe and the U.S.A., and individual bases plan the overall strategy for each brand and run their business.

Thus, the Group has a total of seven reportable segments. These comprise four geographical segments of "Japan," "Korea," "Europe" and "Other Abroad" (Hong Kong, China and the U.S.A.), which are based on its sales system for the apparel related business, and other reportable segments of "Production and OEM Business," "Logistics Business" and "Food & Beverage Business."

2. Methods of calculating the amounts of net sales, income or loss, assets, liabilities and others by reportable segment

The accounting methods for reportable business segments are generally the same as the statements in SIGNIFICANT MATTERS OF BASIS OF PREPARING CONSOLIDATED FINANCIAL STATEMENTS.

Reportable segment income is based on operating income.

Intersegment income and transfers are based on prevailing market prices or manufacturing costs.

3. Information regarding amounts of net sales, income or loss, assets, liabilities and others by reportable segment

Year ended December 31, 2022

	Millions of yen										Amounts recorded in consolidated financial statements (Note 2)
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 1)	
	Japan	Korea	Europe	Other Abroad	Total						
Net sales											
Net sales to outside customers	¥23,975	¥28,346	¥1,385	¥452	¥54,159	¥ 471	¥ 4	¥ 52	¥54,687	¥ —	¥54,687
Intersegment net sales or transfers	19	35	3,006	—	3,060	1,875	1,190	1	6,127	(6,127)	—
Total	¥23,994	¥28,381	¥4,391	¥452	¥57,219	¥2,347	¥1,194	¥ 53	¥60,815	¥ (6,127)	¥54,687
Segment income (loss)	1,772	2,753	127	(99)	4,554	24	47	¥ (27)	4,598	(894)	3,703
Segment assets	¥12,443	¥17,836	¥2,826	¥336	¥33,443	¥ 872	¥ 529	—	¥34,845	¥19,613	¥54,459
Others:											
Depreciation	146	598	128	9	882	0	25	—	908	525	1,434
Impairment loss on long-lived assets	131	5	—	—	136	—	—	—	136	—	136
Amortization of goodwill	—	—	—	—	—	—	—	—	—	192	192
Increase in property, plant and equipment and intangible assets	184	631	104	0	921	—	15	—	936	53	990

Notes: 1. Adjustments in segment income (loss) consist of ¥(596) million of amortization of marketing related assets and goodwill, ¥1,752 million of adjustments for intersegment transactions and ¥(2,050) million of company-wide expenses not allocated to each reportable segment. Company-wide expenses primarily consist of expenses related to a holding company that are not attributable to reportable segments. Adjustments in segment assets consist of ¥12,570 million of intersegment eliminations and ¥7,043 million of company-wide assets not allocated to each reportable segment. Company-wide assets consist of assets of the Company, as a pure holding company.

2. Segment income (loss) is adjusted with operating income in the consolidated statements of income.

Notes to Consolidated Financial Statements

Year ended December 31, 2023

	Millions of yen										Amounts recorded in consolidated financial statements (Note 2)
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 1)	
	Japan	Korea	Europe	Other Abroad	Total						
Net sales											
Net sales to outside customers	¥23,772	¥29,103	¥1,732	¥340	¥54,947	¥ 508	¥ 13	¥ 5	¥55,475	¥ —	¥55,475
Intersegment net sales or transfers	7	61	2,995	—	3,064	1,941	1,129	0	6,136	(6,136)	—
Total	¥23,780	¥29,164	¥4,727	¥340	¥58,012	¥2,449	¥1,143	¥ 6	¥61,612	¥(6,136)	¥55,475
Segment income (loss)	1,818	1,894	142	(49)	3,806	68	22	¥(6)	3,891	(821)	3,069
Segment assets	¥13,564	¥18,399	¥2,739	¥209	¥34,912	¥ 867	¥ 510	—	¥36,291	¥20,567	¥56,858
Others:											
Depreciation	136	631	143	4	915	0	26	—	942	566	1,509
Impairment loss on long-lived assets	18	54	44	—	117	—	—	—	117	—	117
Amortization of goodwill	—	—	—	—	—	—	—	—	—	212	212
Increase in property, plant and equipment and intangible assets	144	1,050	196	—	1,391	—	12	—	1,404	19	1,424

Notes: 1. Adjustments in segment income (loss) consist of ¥(658) million of amortization of marketing related assets and goodwill, ¥1,908 million of adjustments for intersegment transactions and ¥(2,071) million of company-wide expenses not allocated to each reportable segment. Company-wide expenses primarily consist of expenses related to a holding company that are not attributable to reportable segments. Adjustments in segment assets consist of ¥13,729 million of intersegment eliminations and ¥6,837 million of company-wide assets not allocated to each reportable segment. Company-wide assets consist of assets of the Company, as a pure holding company.

2. Segment income (loss) is adjusted with operating income in the consolidated statements of income.

Notes to Consolidated Financial Statements

Year ended December 31, 2023

Thousands of U.S. dollars											
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 1)	Amounts recorded in consolidated financial statements (Note 2)
	Japan	Korea	Europe	Other Abroad	Total						
Net sales											
Net sales to outside customers	\$167,614	\$205,196	\$12,214	\$2,397	\$387,421	\$ 3,582	\$ 96	\$ 41	\$391,140	\$ —	\$391,140
Intersegment net sales or transfers	54	436	21,118	—	21,608	13,691	7,966	3	43,268	(43,268)	—
Total	\$167,668	\$205,632	\$33,332	\$2,397	\$409,029	\$17,273	\$8,062	\$ 44	\$434,408	\$ (43,268)	\$391,140
Segment income (loss)	12,824	13,359	1,005	(352)	26,836	486	159	\$(45)	27,436	(5,796)	21,640
Segment assets	\$ 95,637	\$129,727	\$19,314	\$1,479	\$246,157	\$ 6,119	\$3,601	—	\$255,877	\$145,014	\$400,891
Others:											
Depreciation	960	4,452	1,014	31	6,457	6	185	—	6,648	3,996	10,644
Impairment loss on long-lived assets	127	388	313	—	828	—	—	—	828	—	828
Amortization of goodwill	—	—	—	—	—	—	—	—	—	1,500	1,500
Increase in property, plant and equipment and intangible assets	1,017	7,408	1,387	—	9,812	—	89	—	9,901	140	10,041

Notes: 1. Adjustments in segment income (loss) consist of \$(4,645) thousand of amortization of marketing related assets and goodwill, \$13,457 thousand of adjustments for intersegment transactions and \$(14,608) thousand of company-wide expenses not allocated to each reportable segment. Company-wide expenses primarily consist of expenses related to a holding company that are not attributable to reportable segments. Adjustments in segment assets consist of \$96,803 thousand of intersegment eliminations and \$48,211 thousand of company-wide assets not allocated to each reportable segment. Company-wide assets consist of assets of the Company, as a pure holding company.

2. Segment income (loss) is adjusted with operating income in the consolidated statements of income.

ENTITY-WIDE DISCLOSURES**Year ended December 31, 2022****1. Information about products and services**

Disclosure is omitted because the classification of products and services are the same as the classification of the reportable segments.

2. Information about geographical areas**(1) Net sales**

						Millions of yen
Japan	Korea	Europe	Hong Kong	China	U.S.A.	Total
¥24,503	¥28,346	¥1,385	¥122	¥25	¥304	¥54,687

Notes: 1. Net sales are classified by country or region based on customers' location.

2. Major countries and regions belonging to "Europe" are Italy and France.

(2) Property, plant and equipment

						Millions of yen
Japan	Korea	Europe	Hong Kong	China	U.S.A.	Total
¥1,148	¥2,319	¥345	¥—	¥0	¥9	¥3,823

3. Information about major customers

Disclosure about major customers are omitted because there is no particular customer whose sales are over 10% of net sales in the consolidated statements of income.

Year ended December 31, 2023**1. Information about products and services**

Disclosure is omitted because the classification of products and services are the same as the classification of the reportable segments.

2. Information about geographical areas**(1) Net sales**

						Millions of yen
Japan	Korea	Europe	Hong Kong	China	U.S.A.	Total
¥24,300	¥29,103	¥1,732	¥—	¥—	¥340	¥55,475

						Thousands of U.S. dollars
Japan	Korea	Europe	Hong Kong	China	U.S.A.	Total
\$171,333	\$205,196	\$12,214	\$—	\$—	\$2,397	\$391,140

Notes: 1. Net sales are classified by country or region based on customers' location.

2. Major countries and regions belonging to "Europe" are Italy and France.

Notes to Consolidated Financial Statements

(2) Property, plant and equipment

Millions of yen

Japan	Korea	Europe	Hong Kong	China	U.S.A.	Total
¥1,091	¥2,397	¥346	¥—	¥—	¥4	¥3,840

Thousands of U.S. dollars

Japan	Korea	Europe	Hong Kong	China	U.S.A.	Total
\$7,694	\$16,907	\$2,443	\$—	\$—	\$34	\$27,078

3. Information about major customers

Disclosure about major customers are omitted because there is no particular customer whose sales are over 10% of net sales in the consolidated statements of income.

INFORMATION OF IMPAIRMENT LOSS ON LONG-LIVED ASSETS BY REPORTABLE SEGMENT

Year ended December 31, 2022

Disclosure is omitted because the information is disclosed in the reportable segment information.

Year ended December 31, 2023

Disclosure is omitted because the information is disclosed in the reportable segment information.

INFORMATION OF AMORTIZATION AND UNAMORTIZED BALANCE OF GOODWILL BY REPORTABLE SEGMENT

Year ended December 31, 2022

	Millions of yen										Amounts recorded in consolidated financial statements (Note 2)
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 1)	
	Japan	Korea	Europe	Other Abroad	Total						
Balance at end of period	—	—	—	—	—	—	—	—	—	¥3,259	¥3,259

Notes: 1. Disclosures of goodwill amortization are omitted because the information is disclosed in the reportable segment information.

2. Goodwill incurred in association with the purchase of interests in Bisonte Italia Holding S.r.l. in the fiscal year ended December 31, 2019 was included in "Adjustments" since it is relevant to the apparel related business as a whole.

Notes to Consolidated Financial Statements

Year ended December 31, 2023

	Millions of yen										Amounts recorded in consolidated financial statements (Note 2)
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 1)	
	Japan	Korea	Europe	Other Abroad	Total						
Balance at end of period	—	—	—	—	—	—	—	—	—	¥3,400	¥3,400

	Thousands of U.S. dollars										Amounts recorded in consolidated financial statements (Note 2)
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 1)	
	Japan	Korea	Europe	Other Abroad	Total						
Balance at end of period	—	—	—	—	—	—	—	—	—	\$23,977	\$23,977

Notes: 1. Disclosures of goodwill amortization are omitted because the information is disclosed in the reportable segment information.

2. Goodwill incurred in association with the purchase of interests in Bisonte Italia Holding S.r.l. in the fiscal year ended December 31, 2019 was included in "Adjustments" since it is relevant to the apparel related business as a whole.

INFORMATION OF GAIN ON NEGATIVE GOODWILL BY REPORTABLE SEGMENT

Year ended December 31, 2022

Not applicable.

Year ended December 31, 2023

Not applicable.

PER SHARE INFORMATION

	Yen		U.S. dollars
	2022	2023	2023
Net assets per share	¥4,067.50	¥4,657.84	\$32.84
Net income per share	¥355.24	¥333.49	\$2.35

Notes: 1. Diluted net income per share is not disclosed because there are no potentially dilutive common shares.

2. The Company has a "Trust-type Employees' Shareholding Incentive Plan" as well as an "Employee Stock Benefit Trust (J-ESOP)." The Company's shares remaining in the trusts, which are recorded as treasury stock in shareholders' equity, are included in treasury stock deducted from the total number of shares issued at the end of the period for the calculation of net assets per share, and are included in treasury stock deducted in calculating the average number of shares outstanding during the period for the calculation of net income per share.

Notes to Consolidated Financial Statements

The number of shares of treasury stock deducted as of the end of period and average number thereof during the period are as follows:

Trust-type Employees' Shareholding Incentive Plan

	2022	2023
Number of shares	120,500	98,600

	2022	2023
Average number of shares during the period	135,055	110,468

Employee Stock Benefit Trust (J-ESOP)

	2022	2023
Number of shares	254,800	254,500

	2022	2023
Average number of shares during the period	83,640	254,591

3. The basis for the calculation of net income per share is as follows:

	Millions of yen		Thousands of U.S. dollars
	2022	2023	2023
Net income attributable to owners of parent	¥2,665	¥2,458	\$17,337
Amounts not attributable to common shareholders	—	—	—
Net income attributable to owners of parent pertaining to common stock	2,665	2,458	17,337
Average number of outstanding shares of common stock during the period (shares)	7,502,194	7,373,013	7,373,013

SIGNIFICANT SUBSEQUENT EVENTS

Not applicable.

www.look-holdings.jp

