



ANNUAL REPORT 2024

Year Ended December 31, 2024

To Our Shareholders



Haruo Shibuya
President and Representative
Director

Adhering to the principle of “Customer Comes First,” the corporate philosophy of the LOOK Group is to create new lifestyles and values in order to pursue customer satisfaction and 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, as “a lifestyle creation company that remains beloved by customers for years to come,” 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.

Our medium-term business plan, which ends in fiscal 2028, focuses 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.

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Financial Highlights

LOOK HOLDINGS INC. and Subsidiaries
Years ended December 31, 2023 and 2024

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
At year-end:			
Total current assets	¥ 27,932	¥ 29,826	\$ 188,596
Total current liabilities	11,165	8,521	53,884
Short-term loans	3,030	445	2,815
Total shareholders' equity	28,798	30,187	190,881
For the year:			
Net sales	¥ 55,475	¥ 54,739	\$ 346,125
Operating income	3,069	2,530	16,003
Ordinary income	3,578	2,880	18,212
Net income attributable to owners of parent	2,458	1,925	12,175

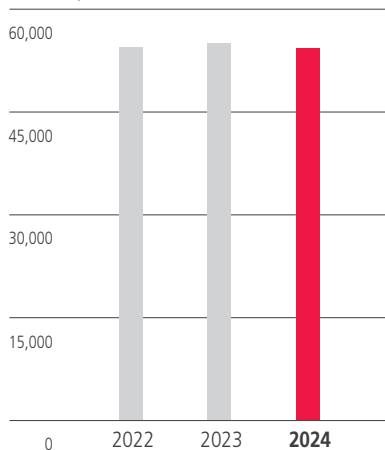
	Yen		U.S. dollars
Per share:			
Net income	¥ 333.49	¥ 259.79	\$ 1.64
Cash dividends	80.00	100.00	0.63

Ratios:			
Return on equity (ROE)	7.6%	5.3%	
Operating income margin	5.5	4.6	

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥158.15 to US\$1, the approximate rate of exchange at December 30, 2024.

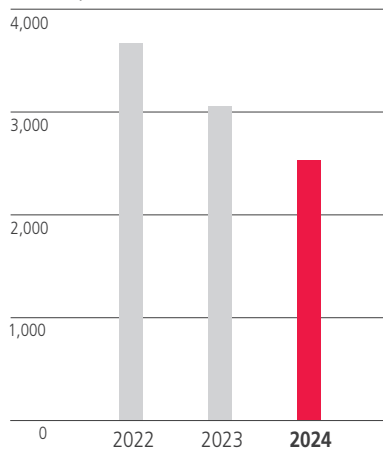
Net Sales

(Millions of yen)



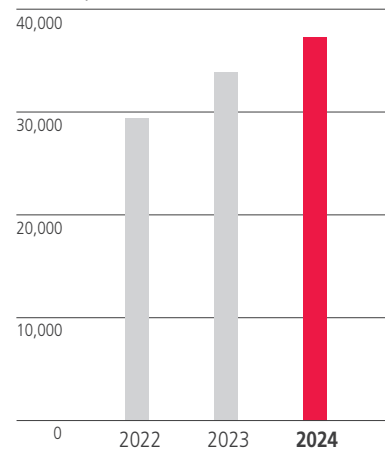
Operating Income

(Millions of yen)



Total Net Assets

(Millions of yen)



Review of Operations

Performance Overview

Consolidated Results

Net sales	¥54,739 million (down 1.3% YoY)
Operating income	¥2,530 million (down 17.5%)
Ordinary income	¥2,880 million (down 19.5%)
Net income attributable to owners of parent	¥1,925 million (down 21.7%)

LOOK HOLDINGS INC. (the “Company”) and its subsidiaries (collectively, the “Group”) have formulated a medium-term business plan for the period from 2024 to 2028, with 2024 being the first year. Under the plan, we are working on business strategies to establish a stable profit structure by undertaking initiatives to “further expand the revenue base,” “enhance capital policies,” and “strengthen ESG

strategies.” As part of our efforts to build a stable business foundation, we have promoted new store openings for our mainstay brands, conducted events and other efforts aimed at enhancing brand value, and advanced Online Merges with Offline (OMO) initiatives in our e-commerce business.

As a result, consolidated results for the fiscal year ended December 31, 2024 (“fiscal 2024”) were as follows: net sales were ¥54,739 million (down 1.3% year on year), operating income was ¥2,530 million (down 17.5% year on year), ordinary income was ¥2,880 million (down 19.5% year on year), and net income attributable to owners of parent was ¥1,925 million (down 21.7% year on year).

Performance by Business Segment

Apparel Business

In “Japan,” although apparel brands suffered from sluggish sales of spring and autumn items due to weather conditions, sales of mainstay imported brands were strong thanks to proactive new store openings, event promotions, and collaboration initiatives. Marimekko held a pop-up event celebrating the 60th anniversary of the Unikko pattern and also saw increased sales in the home category and other areas. A.P.C. performed strongly, driven by robust winter clothing sales from late November, along with continued growth in inbound demand. IL BISONTE also delivered a steady performance, led by sales of foldable wallets, smartphone cases and other items. In the e-commerce business, the renewal of the official Marimekko Japan app enhanced promotional activities, including app-exclusive content, which improved the customer shopping experience and led to increased sales. However, wholesale sales decreased due to lower orders from specialty stores. As a result, the Group’s net sales in Japan were ¥24,255 million (up 2.0% year on year), while operating income was ¥1,805 million (down 0.7% year on year).

In “Korea” (South Korea), uncertainties both domestically and internationally, including political instability in the country and the impact of U.S. policy trends, have raised concerns about prolonged low economic growth. In addition, the continued rise in prices and high interest rates have resulted in a sluggish recovery in domestic demand. For I.D. LOOK LTD. and I.D. JOY LTD., while the IDLOOKMALL e-commerce site performed strongly, as did sale-price products at outlet shops, shop-in-shops struggled due to weak sales of heavy clothing and other items for the winter season. As a result, net sales in Korea amounted to ¥28,426

million (down 2.5% year on year), and operating income was ¥1,635 million (down 13.7% year on year).

In “Europe,” sales at directly managed stores in Italy remained strong, with increased tourists from the U.S.A. and other parts of Europe, particularly from the U.S.A. In the e-commerce business, sales performed well as system upgrades to the online store improved customer convenience. On the other hand, in the mainstay wholesale business, sales declined due to a decrease in order volumes from the Middle East, where geopolitical risks remain prolonged, as well as within Europe. As a result, in Europe, the Group posted net sales of ¥3,645 million (down 22.9% year on year) and an operating loss of ¥236 million (an operating income of ¥142 million in the previous fiscal year).

In “Other Abroad” (the U.S.A.), both the retail and wholesale businesses of IL BISONTE performed well. However, due to an increase in operating expenses and other factors, net sales in “Other Abroad” amounted to ¥410 million (up 20.6% year on year), while operating loss was ¥57 million (an operating loss of ¥49 million in the previous fiscal year). Consequently, the Group’s Apparel Business segment posted net sales of ¥56,738 million (down 2.2% year on year) and operating income of ¥3,147 million (down 17.3% year on year).

Production and OEM Business

LOOK MODE INC., which handles the Group’s Production and OEM Business segment, reported a decline in intra-group net sales, resulting in net sales of ¥2,376 million (down 3.0% year on year). Due to factors such as an increase in manufacturing costs, operating income decreased to ¥40 million (down 41.0% year on year).

Logistics Business

L. LOGISTICS INC., which is responsible for the Group's Logistics Business segment, reported net sales of ¥1,146 million (up 0.3% year on year) due to increased sales to

customers outside the Group. However, operating income declined to ¥15 million (down 31.5% year on year) as a result of rising logistics costs and other expenses.

Outlook for Fiscal 2025 and Consolidated Forecasts

Forecasts

During fiscal 2025, the Japanese economy is expected to maintain a steady and gradual recovery centered on domestic demand amid an improving employment and income environment, supported by real wage increases, strong corporate appetite for capital investment, and economic measures such as tax cuts. However, the economic outlook is likely to remain uncertain, mainly due to the future direction of U.S. policy, geopolitical developments in the Middle East, and continued cautious consumer spending amid rising prices.

Under such circumstances, the Group will work on three key measures based on its medium-term business plan ending in 2028: "Further expanding the revenue base," "Enhancing capital policies," and "Strengthening ESG Strategies."

To further expand the revenue base, we will continue promoting our store expansion policy in fiscal 2025, with plans to open 12 stores for our mainstay brands in Japan and 10 stores overseas. As a first step in expanding our mainstay brands into new overseas markets, we plan to hold a limited-time event at Takashimaya Singapore in March, and will work to expand our sales channels, with a focus on Southeast Asia. In addition, in Japan, we will introduce Smythson, a long-established British stationery and leather goods brand, starting sales in January 2025 and planning to open stores in major cities. In the e-commerce business, we introduced the Request Order System (ROS) in Japan in fiscal 2024 to enhance customer convenience and improve the shopping experience. In fiscal 2025, we will continue promoting OMO measures by expanding the number of stores implementing ROS and other initiatives with the persistent pursuit of customer satisfaction and the education of human resources.

To enhance capital policies, we aim to achieve stock price-conscious management, with improving the Price Book-value Ratio (PBR) as an ongoing priority. In addition to pursuing both growth and profitability in our business, we will enhance the convenience of our shareholder benefit programs and improve disclosure to investors, all with the aim of further enhancing our corporate value.

To strengthen ESG strategies, we established the Sustainability Committee in fiscal 2024 to promote governance that incorporates a sustainable perspective and reinforce cross-organizational initiatives. Based on the five material issues identified by this committee, we will further promote environmentally conscious business activities, such as efforts to reduce greenhouse gas emissions and clothing collection. At the same time, we will work to establish a sustainable supply chain based on 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 medium-term business plan.

For fiscal 2025, we expect net sales of ¥52,000 million (down 5.0% year on year), operating income of ¥2,200 million (down 13.1% year on year), ordinary income of ¥2,400 million (down 16.7% year on year), and net income attributable to owners of parent of ¥1,700 million (down 11.7% year on year) on a consolidated basis.

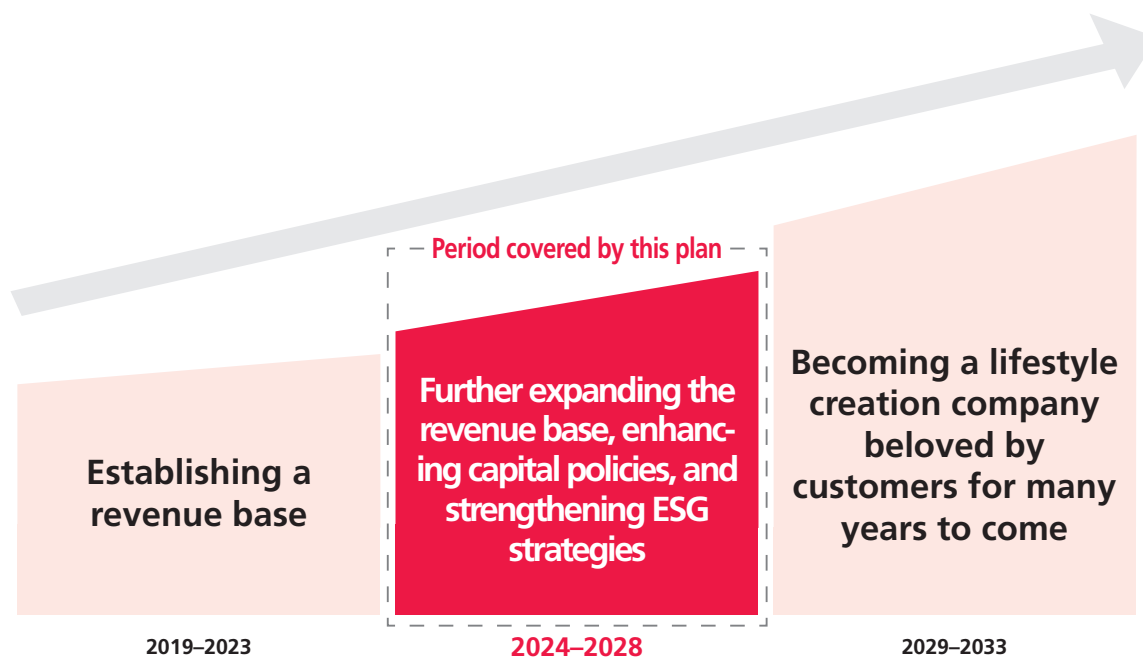
Consolidated Forecasts and Medium-Term Business Plan Targets

	FY2025 forecasts	FY2028 targets
Net sales	¥52,000 million	¥70,000 million
Operating income	¥2,200 million	¥5,000 million
Ordinary income	¥2,400 million	
Net income attributable to owners of parent	¥1,700 million	

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	2024 results
Net sales	¥70.0 _{bn} Japan: ¥30.0 bn / Overseas: ¥40.0 bn	¥54.7 _{bn} Japan: ¥25.0 bn / Overseas: ¥29.7 bn
Operating income	¥5.0 _{bn}	¥2.5 _{bn}
Operating income margin	7% or higher	4.6%

	Targeted management indicators	2024 results
Dividend payout ratio	30% or higher (minimum dividend amount to be the adjusted DOE* of 2.0%)	40.3%
ROE	10%	5.3%

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

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 2024.

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, 2024, total assets amounted to ¥61,410 million, up ¥4,551 million from a year earlier. This was mainly due to increases of ¥820 million in cash and time deposits, ¥1,539 million in merchandise and finished goods, and ¥2,209 million in investment securities.

(2) Liabilities

Total liabilities amounted to ¥23,633 million, up ¥1,199 million from a year earlier. This was mainly due to the issuance of ¥1,500 million in bonds and an increase of ¥990 million in deferred tax liabilities, despite a decrease of ¥1,161 million in loans.

(3) Net assets

Total net assets increased by ¥3,352 million from a year earlier to ¥37,776 million. This was primarily due to increases of ¥1,305 million in retained earnings and ¥1,440 million in valuation differ-

ence on available-for-sale securities.

As a result, the equity ratio was 61.5%.

Cash Flows

Net cash provided by operating activities amounted to ¥2,452 million (¥1,142 million provided for the previous fiscal year). This was mainly attributable to income before income taxes of ¥2,770 million and cash inflows due to non-cash items including depreciation of ¥1,812 million and amortization of goodwill of ¥228 million, which offset cash outflows due to an increase in inventories of ¥1,620 million and income taxes paid of ¥687 million.

Net cash used in investing activities totaled ¥1,187 million (¥1,576 million used for the previous fiscal year). The main factors included payments for purchase of property, plant and equipment of ¥856 million and payments for purchase of intangible assets of ¥240 million.

Net cash used in financing activities amounted to ¥397 million (¥1,544 million used for the previous fiscal year). This was mainly due to a net decrease in loans of ¥1,227 million and cash dividends paid of ¥617 million, which were partially offset by proceeds from issuance of bonds of ¥1,468 million. As of December 31, 2024, the balance of cash and cash equivalents was ¥8,144 million, an increase of ¥820 million from a year earlier, as a result of the aforementioned cash flow items, adjusted for a decrease in foreign currency translation adjustments on cash and cash equivalents of ¥46 million.

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 80% 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, 2023 and 2024

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
ASSETS			
CURRENT ASSETS:			
Cash and time deposits	¥ 7,323	¥ 8,144	\$ 51,496
Notes and accounts receivable - trade	6,150	5,961	37,697
Merchandise and finished goods	11,710	13,250	83,782
Work-in-process	1,312	1,134	7,171
Raw materials and supplies	470	541	3,422
Other	1,014	845	5,348
Allowance for bad debts	(49)	(50)	(320)
Total current assets	27,932	29,826	188,596
NON-CURRENT ASSETS:			
PROPERTY, PLANT AND EQUIPMENT:			
Buildings and structures	4,657	4,638	29,332
Accumulated depreciation	(2,429)	(2,437)	(15,410)
Buildings and structures, net	2,227	2,201	13,922
Machinery and equipment	170	181	1,148
Accumulated depreciation	(144)	(158)	(1,000)
Machinery and equipment, net	26	23	148
Tools, furniture and fixtures	5,193	5,427	34,316
Accumulated depreciation	(4,282)	(4,473)	(28,286)
Tools, furniture and fixtures, net	911	953	6,030
Land	608	599	3,792
Other	135	160	1,014
Accumulated depreciation	(68)	(95)	(601)
Other, net	67	65	413
Total property, plant and equipment	3,840	3,843	24,305
INTANGIBLE ASSETS:			
Marketing related assets	11,736	11,835	74,835
Goodwill	3,400	3,338	21,112
Other	1,079	959	6,069
Total intangible assets	16,216	16,133	102,016
INVESTMENTS AND OTHER ASSETS:			
Investment securities	3,976	6,186	39,117
Deferred tax assets	1,638	1,635	10,342
Lease deposit	2,157	2,181	13,794
Assets for retirement benefits	779	1,285	8,127
Other	452	423	2,681
Allowance for bad debts	(136)	(132)	(837)
Total investments and other assets	8,868	11,580	73,224
Total non-current assets	28,925	31,558	199,545
DEFERRED ASSETS:			
Bond issuance costs	—	25	163
Total deferred assets	—	25	163
TOTAL ASSETS	¥ 56,858	¥ 61,410	\$ 388,304

Consolidated Balance Sheets

LOOK HOLDINGS INC. and Subsidiaries

December 31, 2023 and 2024

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
LIABILITIES AND NET ASSETS			
CURRENT LIABILITIES:			
Notes and accounts payable - trade	¥ 2,360	¥ 2,395	\$ 15,150
Short-term loans	3,030	445	2,815
Current portion of long-term loans	1,636	1,743	11,023
Accounts payable - other	50	185	1,171
Accrued expenses	2,254	2,089	13,213
Income taxes payable	661	628	3,973
Accrued consumption taxes	396	226	1,435
Provision for bonuses	167	133	845
Provision for point service	9	8	52
Asset retirement obligations	69	90	571
Other	529	575	3,636
Total current liabilities	11,165	8,521	53,884
NON-CURRENT LIABILITIES:			
Bonds payable	—	1,500	9,485
Long-term loans	6,243	7,559	47,800
Deferred tax liabilities	3,834	4,825	30,513
Liabilities for retirement benefits	289	314	1,988
Provision for share awards	47	73	467
Asset retirement obligations	231	221	1,402
Other	621	616	3,898
Total non-current liabilities	11,268	15,111	95,553
Total liabilities	22,434	23,633	149,437
NET ASSETS:			
SHAREHOLDERS' EQUITY:			
Common stock	6,422	6,447	40,767
Capital surplus	1,691	1,716	10,855
Retained earnings	21,332	22,638	143,143
Treasury stock	(647)	(614)	(3,884)
Total shareholders' equity	28,798	30,187	190,881
ACCUMULATED OTHER COMPREHENSIVE INCOME:			
Valuation difference on available-for-sale securities	1,343	2,783	17,603
Deferred gain (loss) on derivatives under hedge accounting	(5)	23	149
Foreign currency translation adjustments	3,970	4,207	26,605
Remeasurements of defined benefit plans	317	573	3,629
Total accumulated other comprehensive income	5,625	7,588	47,986
Total net assets	34,423	37,776	238,867
TOTAL LIABILITIES AND NET ASSETS	¥ 56,858	¥ 61,410	\$ 388,304

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥158.15 to US\$1, the approximate rate of exchange at December 30, 2024.

Consolidated Statements of Income

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2023 and 2024

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
NET SALES	¥ 55,475	¥ 54,739	\$ 346,125
COST OF SALES	22,404	21,921	138,613
Gross profit	33,070	32,818	207,512
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES	30,001	30,287	191,509
Operating income	3,069	2,530	16,003
NON-OPERATING INCOME:			
Interest income	59	86	550
Dividend income	92	141	893
Foreign currency exchange gains (losses), net	294	123	783
Rent income	7	7	45
Income from sale of prototypes and samples	21	24	157
Other	241	193	1,223
Total non-operating income	716	577	3,651
NON-OPERATING EXPENSES:			
Interest expenses	101	121	766
Loss on retirement of non-current assets	40	12	79
Other	64	94	597
Total non-operating expenses	206	228	1,442
Ordinary income	3,578	2,880	18,212
EXTRAORDINARY INCOME:			
Gain on sale of investment securities	—	69	440
Reversal of allowance for doubtful receivables from subsidiaries and associates	52	—	—
Gain on reversal of asset retirement obligations	7	1	10
Gain on sale of non-current assets	5	—	—
Other	2	1	10
Total extraordinary income	67	72	460
EXTRAORDINARY LOSSES:			
Impairment loss on long-lived assets	117	67	428
Loss on withdrawal from the brand	119	62	398
Extra retirement payments	16	51	328
Loss on valuation of shares of associated companies	50	—	—
Total extraordinary losses	304	182	1,154
Income before income taxes	3,342	2,770	17,518
INCOME TAXES:			
Income taxes - current	1,114	803	5,082
Income taxes - deferred	(231)	41	261
Total income taxes	883	845	5,343
NET INCOME	2,458	1,925	12,175
NET INCOME ATTRIBUTABLE TO:			
Non-controlling interests	—	—	—
Owners of parent	¥ 2,458	¥ 1,925	\$ 12,175

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥158.15 to US\$1, the approximate rate of exchange at December 30, 2024.

Consolidated Statements of Comprehensive Income

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2023 and 2024

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
NET INCOME	¥ 2,458	¥ 1,925	\$ 12,175
OTHER COMPREHENSIVE INCOME :			
Valuation difference on available-for-sale securities	427	1,440	9,109
Deferred gain (loss) on derivatives under hedge accounting	11	29	185
Foreign currency translation adjustments	1,737	237	1,501
Remeasurements of defined benefit plans	276	256	1,620
Total other comprehensive income	2,453	1,963	12,415
COMPREHENSIVE INCOME	¥ 4,912	¥ 3,888	\$ 24,590
COMPREHENSIVE INCOME ATTRIBUTABLE TO:			
Owners of parent	¥ 4,912	¥ 3,888	\$ 24,590
Non-controlling interests	—	—	—

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥158.15 to US\$1, the approximate rate of exchange at December 30, 2024.

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, 2024

	Millions of yen				
	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
BALANCE AT BEGINNING OF PERIOD	¥6,422	¥1,691	¥21,332	¥(647)	¥28,798
Changes during period:					
Issuance of new shares	25	25			50
Dividends of surplus			(619)		(619)
Net income attributable to owners of parent			1,925		1,925
Purchase of treasury stock				(0)	(0)
Disposal of treasury stock				34	34
Net changes other than shareholders' equity					
Total changes during period	25	25	1,305	33	1,389
BALANCE AT END OF PERIOD	¥6,447	¥1,716	¥22,638	¥(614)	¥30,187

	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	¥1,343	¥ (5)	¥3,970	¥317	¥5,625	¥34,423
Changes during period:						
Issuance of new shares						50
Dividends of surplus						(619)
Net income attributable to owners of parent						1,925
Purchase of treasury stock						(0)
Disposal of treasury stock						34
Net changes other than shareholders' equity	1,440	29	237	256	1,963	1,963
Total changes during period	1,440	29	237	256	1,963	3,352
BALANCE AT END OF PERIOD	¥2,783	¥23	¥4,207	¥573	¥7,588	¥37,776

Consolidated Statements of Changes in Net Assets

LOOK HOLDINGS INC. and Subsidiaries

Year ended December 31, 2024

Thousands of U.S. dollars					
Shareholders' equity					
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
BALANCE AT BEGINNING OF PERIOD	\$40,609	\$10,697	\$134,886	\$(4,097)	\$182,095
Changes during period:					
Issuance of new shares	158	158			316
Dividends of surplus			(3,918)		(3,918)
Net income attributable to owners of parent			12,175		12,175
Purchase of treasury stock				(3)	(3)
Disposal of treasury stock				216	216
Net changes other than shareholders' equity					
Total changes during period	158	158	8,257	213	8,786
BALANCE AT END OF PERIOD	\$40,767	\$10,855	\$143,143	\$(3,884)	\$190,881

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	\$ 8,494	\$ (36)	\$25,104	\$2,009	\$35,571	\$217,666
Changes during period:						
Issuance of new shares						316
Dividends of surplus						(3,918)
Net income attributable to owners of parent						12,175
Purchase of treasury stock						(3)
Disposal of treasury stock						216
Net changes other than shareholders' equity	9,109	185	1,501	1,620	12,415	12,415
Total changes during period	9,109	185	1,501	1,620	12,415	21,201
BALANCE AT END OF PERIOD	\$17,603	\$149	\$26,605	\$3,629	\$47,986	\$238,867

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥158.15 to US\$1, the approximate rate of exchange at December 30, 2024.

Consolidated Statements of Cash Flows

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2023 and 2024

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
CASH FLOWS FROM OPERATING ACTIVITIES:			
Income before income taxes	¥ 3,342	¥ 2,770	\$ 17,518
Depreciation	1,509	1,812	11,463
Amortization of goodwill	212	228	1,447
Impairment loss on long-lived assets	117	67	428
Increase (decrease) in allowance for bad debts	(54)	(2)	(16)
Increase (decrease) in provision for bonuses	(19)	(38)	(241)
Increase (decrease) in provision for point service	0	(1)	(6)
Increase (decrease) in provision for share awards	33	26	165
Decrease (increase) in assets for retirement benefits	(119)	(141)	(894)
Increase (decrease) in liabilities for retirement benefits	26	13	85
Interest and dividend income	(151)	(228)	(1,443)
Interest expenses	101	121	766
Loss on retirement of non-current assets	40	12	79
Loss (gain) on sale of non-current assets	(5)	(0)	(0)
Loss on withdrawal from the brand	119	62	398
Foreign exchange losses (gains)	21	(28)	(182)
Decrease (increase) in trade notes and accounts receivable	(228)	122	772
Decrease (increase) in inventories	(920)	(1,620)	(10,245)
Increase (decrease) in trade notes and accounts payable	(1,049)	51	324
Decrease (increase) in advance payments to suppliers	14	(23)	(150)
Decrease (increase) in prepaid expenses	(104)	39	248
Loss (gain) on sale of investment securities	—	(69)	(440)
Decrease (increase) in accounts receivable - other	(38)	83	525
Increase (decrease) in accrued expenses	(165)	(181)	(1,146)
Increase (decrease) in accrued consumption taxes	152	(181)	(1,148)
Other, net	(104)	138	876
Subtotal	2,730	3,033	19,183
Interest and dividend income received	152	225	1,429
Interest expenses paid	(46)	(119)	(757)
Income taxes paid	(1,693)	(687)	(4,350)
Net cash provided by operating activities	1,142	2,452	15,505

Consolidated Statements of Cash Flows

LOOK HOLDINGS INC. and Subsidiaries

Years ended December 31, 2023 and 2024

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for purchase of property, plant and equipment	(936)	(856)	(5,417)
Proceeds from sale of property, plant and equipment	5	0	0
Payments for purchase of intangible assets	(500)	(240)	(1,519)
Payments for purchase of investment securities	(170)	(154)	(978)
Proceeds from sale of investment securities	—	76	481
Proceeds from redemption of bonds	—	11	71
Loan advances	(8)	(15)	(98)
Proceeds from collection of long-term loans receivable	103	11	71
Payments for lease deposit	(97)	(115)	(731)
Proceeds from lease deposit	149	88	561
Payments for asset retirement obligations	(25)	(36)	(232)
Payments for purchase of shares of associated companies	(90)	—	—
Guarantee deposits received	—	32	207
Other, net	(6)	12	77
Net cash used in investing activities	(1,576)	(1,187)	(7,507)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from short-term loans	2,479	1,064	6,732
Repayment of short-term loans	(2,029)	(3,652)	(23,095)
Proceeds from long-term loans	700	3,264	20,644
Repayment of long-term loans	(2,199)	(1,904)	(12,043)
Proceeds from issuance of bonds	—	1,468	9,285
Cash dividends paid	(463)	(617)	(3,908)
Purchase of treasury stock	(1)	(0)	(3)
Proceeds from sale of treasury stock	50	60	384
Repayments of lease obligations	(81)	(80)	(511)
Net cash used in financing activities	(1,544)	(397)	(2,515)
FOREIGN CURRENCY TRANSLATION ADJUSTMENTS ON CASH AND CASH EQUIVALENTS	58	(46)	(296)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,919)	820	5,187
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	9,243	7,323	46,309
CASH AND CASH EQUIVALENTS AT END OF YEAR	¥ 7,323	¥ 8,144	\$ 51,496

Note: U.S. dollar amounts are translated from Japanese yen, for convenience only, at the rate of ¥158.15 to US\$1, the approximate rate of exchange at December 30, 2024.

Notes to Consolidated Financial Statements

NOTE REGARDING GOING CONCERN ASSUMPTION

Not applicable.

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" (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.

Notes to Consolidated Financial Statements

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

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 statement of income.

Notes to Consolidated Financial Statements

Year ended December 31, 2024

Millions of yen											
	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	¥24,245	¥28,333	¥ 958	¥410	¥53,947	¥ 728	¥ 63	¥—	¥54,739	¥ —	¥54,739
Intersegment net sales or transfers	10	92	2,687	—	2,790	1,647	1,083	—	5,521	(5,521)	—
Total	¥24,255	¥28,426	¥3,645	¥410	¥56,738	¥2,376	¥1,146	¥—	¥60,261	¥(5,521)	¥54,739
Segment income (loss)	1,805	1,635	(236)	(57)	3,147	40	15	—	3,203	(672)	2,530
Segment assets	¥14,170	¥19,347	¥2,734	¥185	¥36,438	¥ 819	¥ 557	¥—	¥37,816	¥23,594	¥61,410
Others:											
Depreciation	159	905	126	2	1,192	0	26	—	1,219	593	1,812
Impairment loss on long-lived assets	38	28	—	—	67	—	—	—	67	—	67
Amortization of goodwill	—	—	—	—	—	—	—	—	—	228	228
Increase in property, plant and equipment and intangible assets	498	825	72	0	1,397	0	15	—	1,413	12	1,425

Notes: 1. Adjustments in segment income (loss) consist of ¥(708) million of amortization of marketing related assets and goodwill, ¥2,096 million of adjustments for intersegment transactions and ¥(2,060) 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 ¥14,562 million of intersegment eliminations and ¥9,032 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 statement of income.

Notes to Consolidated Financial Statements

Year ended December 31, 2024

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	\$153,306	\$179,158	\$ 6,060	\$2,593	\$341,117	\$ 4,609	\$ 399	\$—	\$346,125	\$ —	\$346,125
Intersegment net sales or transfers	65	587	16,993	—	17,645	10,415	6,853	—	34,913	(34,913)	—
Total	\$153,371	\$179,745	\$23,053	\$2,593	\$358,762	\$15,024	\$7,252	\$—	\$381,038	\$ (34,913)	\$346,125
Segment income (loss)	11,420	10,344	(1,497)	(365)	19,902	258	97	—	20,257	(4,254)	16,003
Segment assets	\$ 89,603	\$122,338	\$17,290	\$1,173	\$230,404	\$ 5,184	\$3,527	\$—	\$239,115	\$149,189	\$388,304
Others:											
Depreciation	1,006	5,725	797	14	7,542	1	167	—	7,710	3,753	11,463
Impairment loss on long-lived assets	246	182	—	—	428	—	—	—	428	—	428
Amortization of goodwill	—	—	—	—	—	—	—	—	—	1,447	1,447
Increase in property, plant and equipment and intangible assets	3,153	5,218	461	1	8,833	5	97	—	8,935	82	9,017

Notes: 1. Adjustments in segment income (loss) consist of \$(4,481) thousand of amortization of marketing related assets and goodwill, \$13,255 thousand of adjustments for intersegment transactions and \$(13,028) 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 \$92,077 thousand of intersegment eliminations and \$57,112 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 statement of income.

ENTITY-WIDE DISCLOSURES**Year ended December 31, 2023****1. Information about products and services**

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

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

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

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	U.S.A.	Total
¥1,091	¥2,397	¥346	¥4	¥3,840

3. Information about major customers

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

Year ended December 31, 2024**1. Information about products and services**

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

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

Millions of yen				
Japan	Korea	Europe	U.S.A.	Total
¥25,037	¥28,333	¥958	¥410	¥54,739

Thousands of U.S. dollars				
Japan	Korea	Europe	U.S.A.	Total
\$158,315	\$179,158	\$6,060	\$2,592	\$346,125

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	U.S.A.	Total
¥1,201	¥2,298	¥340	¥3	¥3,843

Thousands of U.S. dollars				
Japan	Korea	Europe	U.S.A.	Total
\$7,597	\$14,533	\$2,154	\$21	\$24,305

3. Information about major customers

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

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

Year ended December 31, 2023

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

Year ended December 31, 2024

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, 2023

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

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, 2024

	Millions of yen										Amounts recorded in consolidated financial statements
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 2)	
	Japan	Korea	Europe	Other Abroad	Total						
Balance at end of period	—	—	—	—	—	—	—	—	—	¥3,338	¥3,338

	Thousands of U.S. dollars										Amounts recorded in consolidated financial statements
	Apparel related					Production and OEM	Logistics	Food & Beverage	Total	Adjustments (Note 2)	
	Japan	Korea	Europe	Other Abroad	Total						
Balance at end of period	—	—	—	—	—	—	—	—	—	\$21,112	\$21,112

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, 2023

Not applicable.

Year ended December 31, 2024

Not applicable.

PER SHARE INFORMATION

	Yen		U.S. dollars
	2023	2024	2024
Net assets per share	¥4,657.84	¥5,083.79	\$32.15
Net income per share	¥333.49	¥259.79	\$1.64

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

	2023	2024
Number of shares	98,600	77,900

	2023	2024
Average number of shares during the period	110,468	89,368

Employee Stock Benefit Trust (J-ESOP)

	2023	2024
Number of shares	254,500	251,500

	2023	2024
Average number of shares during the period	254,591	252,853

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

	Millions of yen		Thousands of U.S. dollars
	2023	2024	2024
Net income attributable to owners of parent	¥2,458	¥1,925	\$12,175
Amounts not attributable to common shareholders	—	—	—
Net income attributable to owners of parent pertaining to common stock	2,458	1,925	12,175
Average number of outstanding shares of common stock during the period (shares)	7,373,013	7,411,464	7,411,464

SIGNIFICANT SUBSEQUENT EVENTS

Not applicable.

www.look-holdings.jp

