FY2027/02 1st Quarter Financial Results

June 30, 2026

and ST HD

Contents

and ST HD

1. FY2027/02 Q1 Overview

Representative Director and President　Taiki Fukuda

and ST HD

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Results

Exceeded plan and posted record-high sales and operating profit for any first quarter

Improved markups and controlled inventory to reduce discounts, creating a virtuous cycle in which gross profit margin, particularly at physical stores, has increased, while employee motivation has improved

Looking ahead, we plan further M&A transactions to establish a new group company targeting Generation Z

Issues

Continue to respond cautiously to exchange rate fluctuations and rising costs in the second half of the fiscal year

Recovery at GLOBAL WORK, our flagship brand, is still a work in progress

2. FY2027/02 Q1 Financial results

Director　Masatake Hayashi

Overview

Net sales and operating profit were record highs for any first quarter; profit margin improved
While net income declined due to one-time expenses, net sales and profits at each measure exceeded initial forecast

(Millions of yen)

	FY2026/02 1Q Results		FY2027/02 1Q Results		
		Ratio		Ratio	YoY
Net sales	77,464	100.0%	80,318	100.0%	103.7%
Gross profit	43,837	56.6%	46,474	57.9%	106.0%
SG&A expense	38,233	49.4%	38,598	48.1%	101.0%
Advertising & promotion	2,775	3.6%	2,221	2.8%	80.0%
Personnel	13,770	17.8%	14,291	17.8%	103.8%
Rent & depreciation *	13,677	17.7%	14,163	17.6%	103.6%
Others	8,010	10.3%	7,922	9.9%	98.9%
Operating profit	5,603	7.2%	7,875	9.8%	140.5%
Ordinary profit	5,423	7.0%	8,047	10.0%	148.4%
Net income attributable to owners of the parent	4,374	5.6%	3,908	4.9%	89.4%
EBITDA	8,423	10.9%	10,702	13.3%	127.1%
Depreciation and amortization	2,716	3.5%	2,781	3.5%	102.4%
Amortization of goodwill	103	0.1%	45	0.1%	44.1%

*: Rent & depreciation costs are the sum of Rent expenses, Lease expenses and Depreciation

Consolidated Income Statement – Summary 1

Net sales in each business segment were in line with plan; strong performance at Adastria offsetting declines in the wholesale and U.S. business
Gross profit margin improvement outperformed plan, driven by successful efforts to improve markups, measures to curb discounts, and changes in business mix

Net Sales

80.3 billion yen (+3.7% YoY)

- **Platform Business** *before elimination — **3.5** billion yen
  External brand participation on *and ST* proceeding smoothly
  Decline in wholesale
- **Global Business** — **5.6** billion yen
  Sales declined following the withdrawal from the U.S. business in July 2025
  Sales increased across Mainland China, Hong Kong, Taiwan, and all of Southeast Asia
- **Brand Retail Business** *before elimination — **74.5** billion yen
  Driven by strong performance at Adastria
  Domestic Group company sales rose with the net increase from KARRIMOR sales

Gross profit margin

57.9% (+1.3p YoY)

Performance driven by curbed discounts stemming from inventory control, improved mark-ups, increase in open platform e-commerce sales, downsizing of the wholesale business

Significant improvements achieved by streamlining advertising and promotion efforts; increase in other expense categories kept within the rate of sales growth
Operating profit exceeded projections, while the decline in net income was due to one-time factors

SG&A expense ratio 48.1 % (▲1.3p YoY)

- **Advertising expenses** 2.8 % (▲0.8p YoY) (▲550 million yen) — Reaction stemming from the opening of the flagship store the previous year and efforts to streamline advertising and promotion
- **Personnel** 17.8 % (+0.0p YoY) (+520 million yen) — Even while we continue to improve employee compensation, rates remained flat due to sales growth and operating efficiency gains
- **Rent & depreciation** 17.6 % (▲0.1p YoY) (+480 million yen) — Despite increase stemming from sales growth, rates improved
- **Others** 9.9 % (▲0.4p YoY) (▲80 million yen) — Both total and rates declined due to the U.S. withdrawal

Operating profit 7.8 billion yen (+40.5% YoY)

Operating income ratio : 9.8% **EBITDA : 13.3%**

Ordinary profit 8.0 billion yen (+48.4% YoY)

Non-Operating income
Foreign exchange profit of 90 million yen, Interest expenses 50 million yen

Net income 3.9 billion yen (-10.6% YoY)

Extraordinary Losses : Special service payment 1.2 billion yen,
Impairment of store assets of 70 million yen

Net Sales and Operating Profit for New Adastria + and ST + and ST HD and Group Companies

- Consolidated sales and profit increased for three companies: New Adastria, and ST, and and ST HD (representing non-consolidated Adastria in the previous year)
- Domestic group companies saw increased sales and profits, driven by a net increase in sales from KARRIMOR, acquired via M&A
- Although overseas subsidiaries saw a decline in sales due to the withdrawal from the U.S., sales from Asian operations (excluding the U.S.) rose to 120% of the same period of the previous year, while profits increased as losses in the U.S. narrowed
- Food and beverage company zetton saw a slight increase in sales owing to strong domestic operations; profit remained flat due in part to new store opening costs

(Millions of yen)

	FY2026/02 1Q Results	FY2027/02 1Q Results		
			YoY Change	YoY
Net sales	77,464	80,318	+2,853	103.7%
New Adastria+AST+HD *1	61,460	64,932	+3,472	105.6%
Domestic subsidiaries *2	6,670	6,915	+245	103.7%
Overseas subsidiaries *3	6,498	5,678	▲819	87.4%
zetton (Food & Beverage Subsidiary) *4	3,826	3,886	+60	101.6%
Consolidation adjustments, etc.	▲ 990	▲ 1,094	▲104	-
Operating profit (Excl. HD Impact)	5,603	7,875	+2,271	140.5%
New Adastria+AST+HD *1	4,624	6,742	+2,117	145.8%
Domestic subsidiaries *2	713	724	+11	101.6%
Overseas subsidiaries *3	169	277	+107	163.4%
zetton (Food & Beverage Subsidiary) *4	59	57	▲1	97.0%
Consolidation adjustments, etc.	37	73	+36	-

*1: Figures in FY2026/02 reflect adjustments for intercompany eliminations between Adastria and and ST Co., Ltd..
Figures in FY2027/02 reflect adjustments for intercompany eliminations between and ST Co., Ltd., Adastria, and and ST HD Co., Ltd..
*2: Domestic subsidiaries are the sum of three subsidiaries FY2026/02 : BUZZWIT Co.,Ltd., ELEMENT RULE Co., Ltd., KARRIMOR International Ltd., Figures for Karrimor cover Feb–Apr; consolidated from the end of April 2025.
*3: Overseas subsidiaries (Mainland China, Hong Kong, Taiwan, Thailand, the Philippines, USA), net sales is shown after intercompany eliminations, operating profit is the sum of subsidiaries (Period Jan. to Dec.2025)
*4: Net Sales and operating profit of zetton, inc. is shown after consolidation adjustments.

and ST HD

■ and ST GMV has been trending above plan

and ST GMV **13.1 billion yen**
(1st Quarter three months) （+11.8% YoY）

Group Brand Sales **11.3 billion yen** （+6.0% YoY）

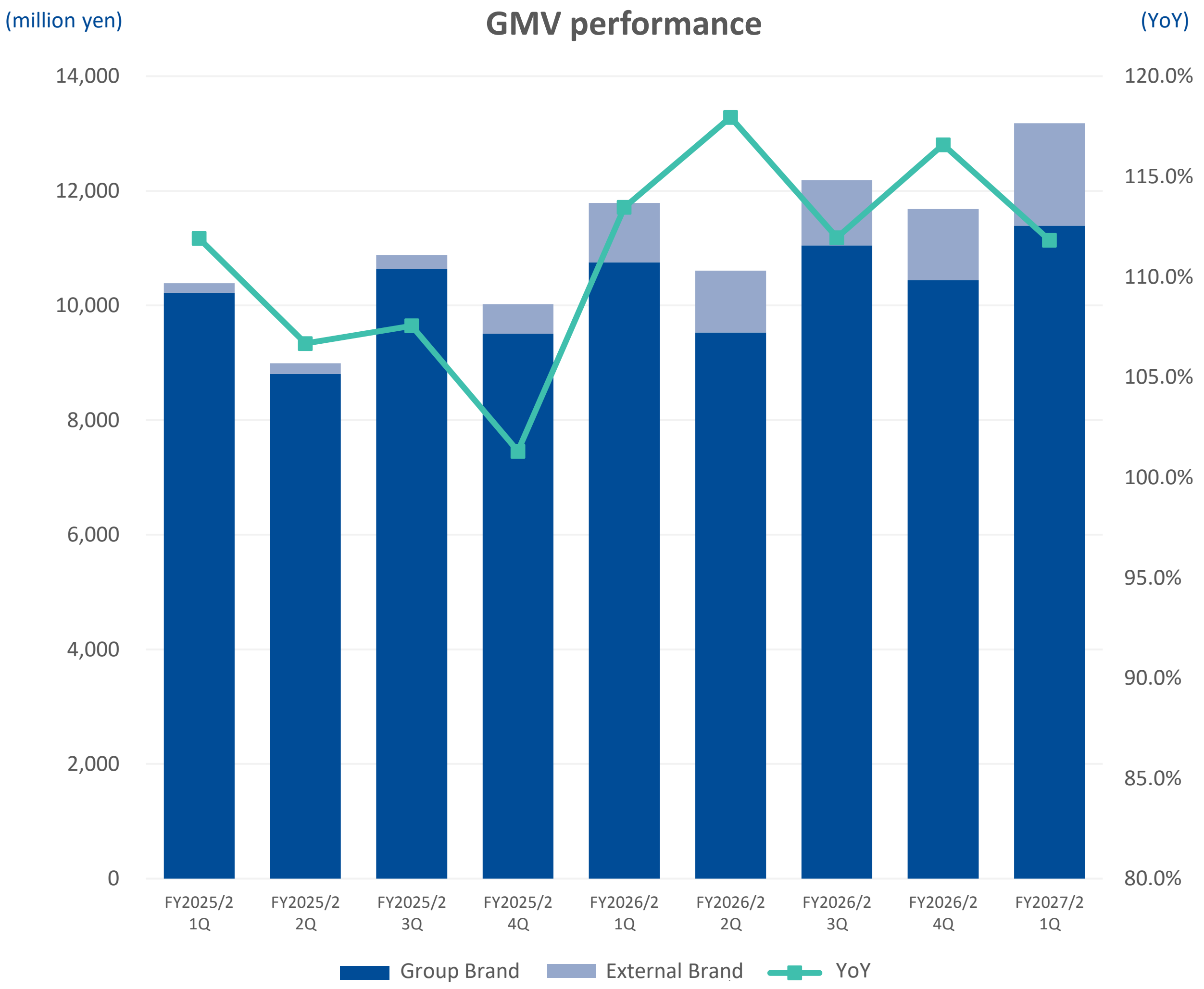
Ratio **87.0%**

External Brand Sales **1.7 billion yen** （+72.9% YoY）

Ratio **13.0%**

and ST members **22.2 million members**
（as of May 31, 2026） （+0.5 million more than at the end of FY2026/02）

Active members **8.1 million members**
（+0.3 million more than at the end of FY2026/02）



Total of 21 external brands participated in the first quarter

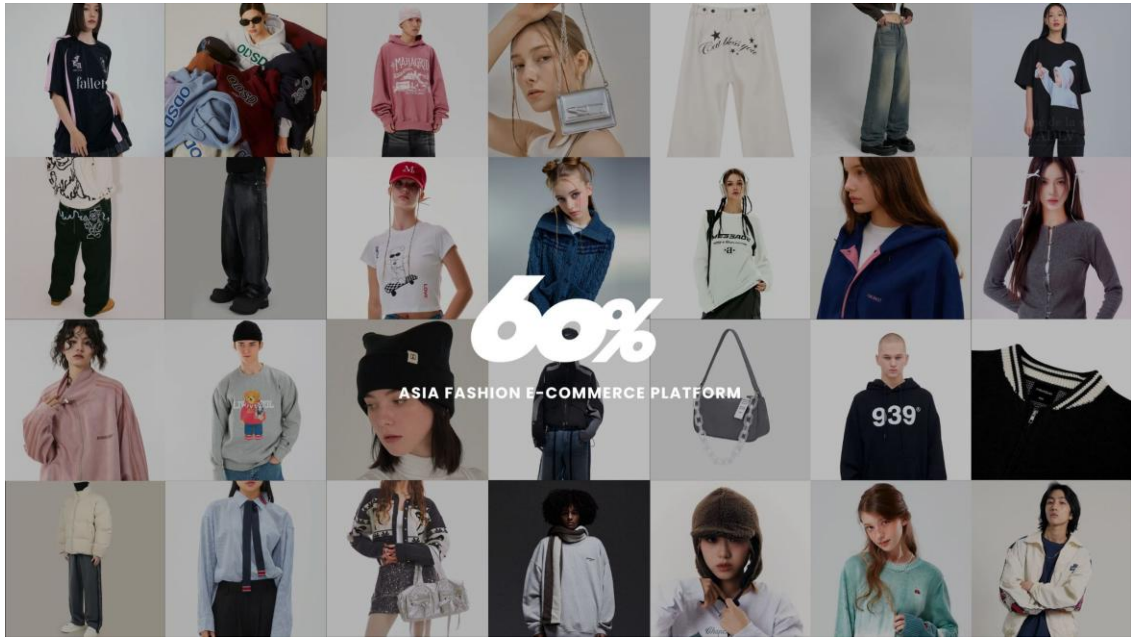
No. of External shops **74 shops**

(as of May 31, 2026) (**+41 shops YoY**)

UNIVERSAL OVERALL CHICAGO
Manhattan Portage
ACE Bags & Luggage
[sn] super.natural
Rokx
Wpc.
BONJOUR SAGAN
ムラサキスポーツ MURASAKI SPORTS RIDE LIFE
FREE'S MART
JILL by JILL STUART
HEART MARKET
human woman
PINKY&DIANNE
ROXY
and Habit
STYLEMIXER
STACCATO

Acquisition of Shares of Cross-Border E-Commerce Platform

- Acquired 68% of the shares of SIXTYPERCENT Inc., which operates a cross-border e-commerce mall for Asian fashion, primarily from South Korea.
- Bringing together over 2,700 brands, centered around up-and-coming street brands
  from various Asian countries, the platform is highly supported by teenagers and young adults in their 20s.
- Strengthening the platform business of and ST HD Co., Ltd. by incorporating cutting-edge Asian fashion and culture.



Aired TV commercials and launched a campaign aimed at expanding awareness of *and ST* and growing membership base

- Aired in 24 regions across Japan between May 13 and May 31; increased scale compared with the previous year and strengthened media exposure
- Focusing primarily on the 20% point rebate available at both online and physical stores, we implemented the and ST WEEK campaign and aired TV commercials tied in to the campaign during the period
- New members acquired during the TV commercial broadcast period rose 7.0% year on year

Broadening the and ST points economic zone through stronger integrations with external partners and payment functionality

- In addition to ongoing integration with d Point and Rakuten Point, we launched a two-way integration in March with JAL Miles.
- Issued the new and ST CARD (credit card) in partnership with Pocket Card Co., Ltd.
  Cumulative transactions roughly doubled initial projection in the first six months;
  and ST CARD members have demonstrated exceptionally high loyalty

- **Mainland China** Despite sales growth, net loss widened due to a slump in January seasonal sales stemming from the timing of the Lunar New Year, etc.
- **Hong Kong** Sales rose, but profits fell due to sluggish winter sales at the end of the year; spring and summer sales showing signs of recovery
- **Taiwan** Sales and profit increased due to continued new store openings and brand launches
- **Thailand** Sales increased due to the opening of new stores last fiscal year
- **The Philippines** Sales at the first store in the country remained largely flat
- **USA** Sale completed in July 2025

(Millions of yen)

		FY2025/12	FY2026/12		
		1Q Results	1Q Results	YoY (JPY)	YoY (Local currency)
Net Sales		6,498	5,678	87.4%	83.7%
Net Sales (Excl. USA)		4,726	5,678	120.2%	113.3%
	Mainland China *1	1,139	1,277	112.2%	105.8%
	Hong Kong	1,210	1,370	113.2%	110.6%
	Taiwan	2,232	2,835	127.0%	117.7%
	Thailand	108	157	145.9%	132.1%
	Phillipines	35	36	103.3%	102.6%
	USA *2	1,772	-	-	-
Operating profit (Excl. HD Impact) *1		169	277	163.4%	141.2%
Operating profit (Excl. USA)		346	277	80.2%	74.4%
	Mainland China	▲ 72	▲ 186	-	-
	Hong Kong	38	▲ 3	-	-
	Taiwan	432	546	126.5%	117.2%
	Thailand	▲ 36	▲ 51	-	-
	Phillipines	▲ 15	▲ 27	-	-
	USA *2	▲ 176	-	-	-

*1: Net sales are shown after elimination of internal transactions, Operating profit are shown before elimination.
*2: USA does not include the U.S. business of zetton inc.

Continued growth trends in East Asia and progress in developing new markets

- Strong trends continued in East Asia, particularly in Taiwan, driving growth in our global business
- New openings proceeded smoothly; opened a first outlet store in Hong Kong
- Continuing preparations to open stores in Southeast Asia as well

Mainland China

niko and ...

杭州恒隆广场
West Lake 66

Hong Kong

and ST

Megabox (Outlet store)

Taiwan

LOWRYS FARM
studio CLIP
JEANASiS

台中漢神Stadium
Hanshin Intercontinental Shopping Plaza

Brand Retail Business：Domestic Subsidiaries, Adastria Major Brand

- **Adastria** GLOBAL WORK continued gradual recovery; profit improved with cut-backs on advertising and promotions and discounts
  Performance at niko and ..., LOWRYS FARM, studio CLIP, and LEPSIM remained strong, while LAKOLE continued store expansion
- **ELEMENT RULE** Spring/summer merchandising performed poorly across multiple brands; sales decline due to negative rebound from hit products in the previous fiscal year
- **BUZZWIT** Sales declined, but profit increased due to controlled sales discounts

◆ **Online Business (Domestic)** Domestic online business ratio: 26.9% (of which *and ST* EC site: approx. 14.0%)

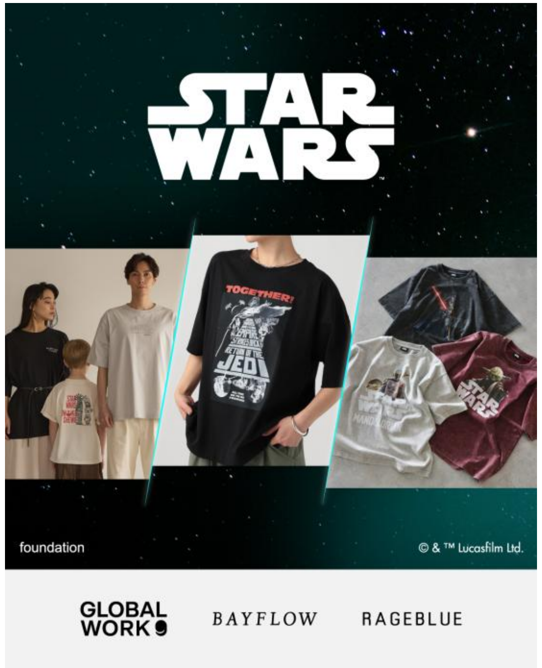
		Net Sales (Millions of yen) *			Stores	
		FY2026/02 1Q Results	FY2027/02 1Q Results	FY2027/02 YoY	End of FY2026/02 1Q	End of FY2027/02 1Q
Domestic Subsidiaries	Adastria	59,547	63,424	106.5%	1,321	1,336
	ELEMENT RULE	3,714	3,563	95.9%	82	82
	BUZZWIT	3,014	2,871	95.3%	29	29
Adastria	GLOBAL WORK	14,545	14,887	102.4%	222	229
	niko and ...	9,234	9,985	108.1%	145	149
	LOWRYS FARM	6,237	6,896	110.6%	126	131
	studio CLIP	5,896	6,483	110.0%	188	190
	LEPSIM	4,576	5,421	118.5%	116	121
	LAKOLE	3,538	3,893	110.0%	94	102
	JEANASIS	2,839	2,987	105.2%	68	68
	BAYFLOW	2,836	2,724	96.0%	62	65

*Figures is shown after elimination of internal transactions.

Evolution in OMO initiatives and delivery of value-added experiences helped physical stores post strong sales with a 6.6% increase year on year

- Digital coupons from the *and ST* e-commerce site now usable at select physical stores, offering better convenience and creating incentives for customers to visit in person
- In-store events linked with popular staff on STAFF BOARD and the sale of IP collaboration products, as well as promotional giveaways exclusive to physical stores
- Attracting core fans to stores and boosting in-store purchase rates

Examples of Collaborations Between Popular IP and Multiple Brands



In-Store Exclusive Giveaways

Number of Stores

and ST HD

	FY2026/02		FY2027/02 1Q		
	End of 1Q	End of FY2026/02	Opened	Closed	End of 1Q
GLOBAL WORK	222	226	3	0	229
niko and ...	145	147	2	0	149
LOWRYS FARM	126	128	3	0	131
studio CLIP	188	188	2	0	190
LEPSIM	116	119	2	0	121
LAKOLE	94	100	2	0	102
JEANASIS	68	68	1	▲ 1	68
BAYFLOW	62	64	1	0	65
Others	300	283	2	▲ 4	281
Adastria non-consolidated total	**1,321**	**1,323**	**18**	**▲ 5**	**1,336**
(Online store included)	(68)	(62)	(0)	(▲ 1)	(61)
Domestic subsidiaries total	**123**	**121**	**5**	**0**	**126**
(Online store included)	(49)	(49)	(1)	(0)	(50)
Japan total	**1,444**	**1,444**	**23**	**▲ 5**	**1,462**
(Online store included)	(117)	(111)	(1)	(▲ 1)	(111)

FY2027/2 Q1 12 remodeled stores in the consolidated group.

	FY2026/02		FY2027/02 1Q		
	End of 1Q	End of FY2026/02	Opened	Closed	End of 1Q
Mainland China	13	18	0	0	18
Hong Kong	29	32	1	0	33
Taiwan	90	98	0	0	98
Thailand	4	6	0	0	6
The Philippines	1	3	0	0	3
USA	11	0	-	-	-
Oversea total	**148**	**157**	**1**	**0**	**158**
(Online store included)	(28)	(29)	(0)	(0)	(29)
zetton	77	73	2	▲ 1	74
Consolidated total	**1,669**	**1,674**	**26**	**▲ 6**	**1,694**
(Online store included)	(145)	(140)	(1)	(▲ 1)	(140)

Consolidated Balance Sheet

and ST HD

- **Inventories** — Inventory at 100.7% compared to the end of the same period in the previous fiscal year; operations proceeding in accordance with initial plan to optimize inventory
- **Property, plant and equipment** — Decrease due to the sale of the Fukuoka Distribution Center and U.S. business, etc.
- **Intangible assets** — Decrease due to impairment of goodwill, etc.
- **Net assets** — Net asset ratio of 56.9%, +3.7p compared with the same period in the previous fiscal year

(Millions of yen)

	End of 2025/05		End of 2026/02		End of 2026/05			
		Ratio		Ratio		Ratio	Compared with the end of 2025/05	Compared with the end of 2026/02
Current assets	78,078	53.1%	77,644	55.6%	84,179	57.3%	+6,101	+6,534
Cash and deposits	23,566	16.0%	24,912	17.8%	26,154	17.8%	+2,587	+1,241
Inventories	29,921	20.4%	30,526	21.9%	30,144	20.5%	+223	▲381
Fixed assets	68,848	46.9%	62,043	44.4%	62,836	42.7%	▲6,012	+792
Property, plant and equipment	27,384	18.6%	24,727	17.7%	25,473	17.3%	▲1,911	+745
Intangible assets	16,093	11.0%	12,579	9.0%	12,272	8.3%	▲3,820	▲306
Goodwill	2,881	2.0%	566	0.4%	520	0.4%	▲2,361	▲45
Investments and other assets	25,369	17.3%	24,736	17.7%	25,089	17.1%	▲280	+353
Total assets	146,926	100.0%	139,688	100.0%	147,015	100.0%	+89	+7,327
Liabilities	68,719	46.8%	57,864	41.4%	63,401	43.1%	▲5,318	+5,536
Loans payable	10,737	7.3%	-	-	6,000	4.1%	▲4,737	+6,000
Net assets	78,206	53.2%	81,823	58.6%	83,614	56.9%	+5,407	+1,790
Treasury shares	▲ 6,177	▲4.2%	▲ 6,098	▲4.4%	▲ 6,061	▲4.1%	+115	+37

and ST HD

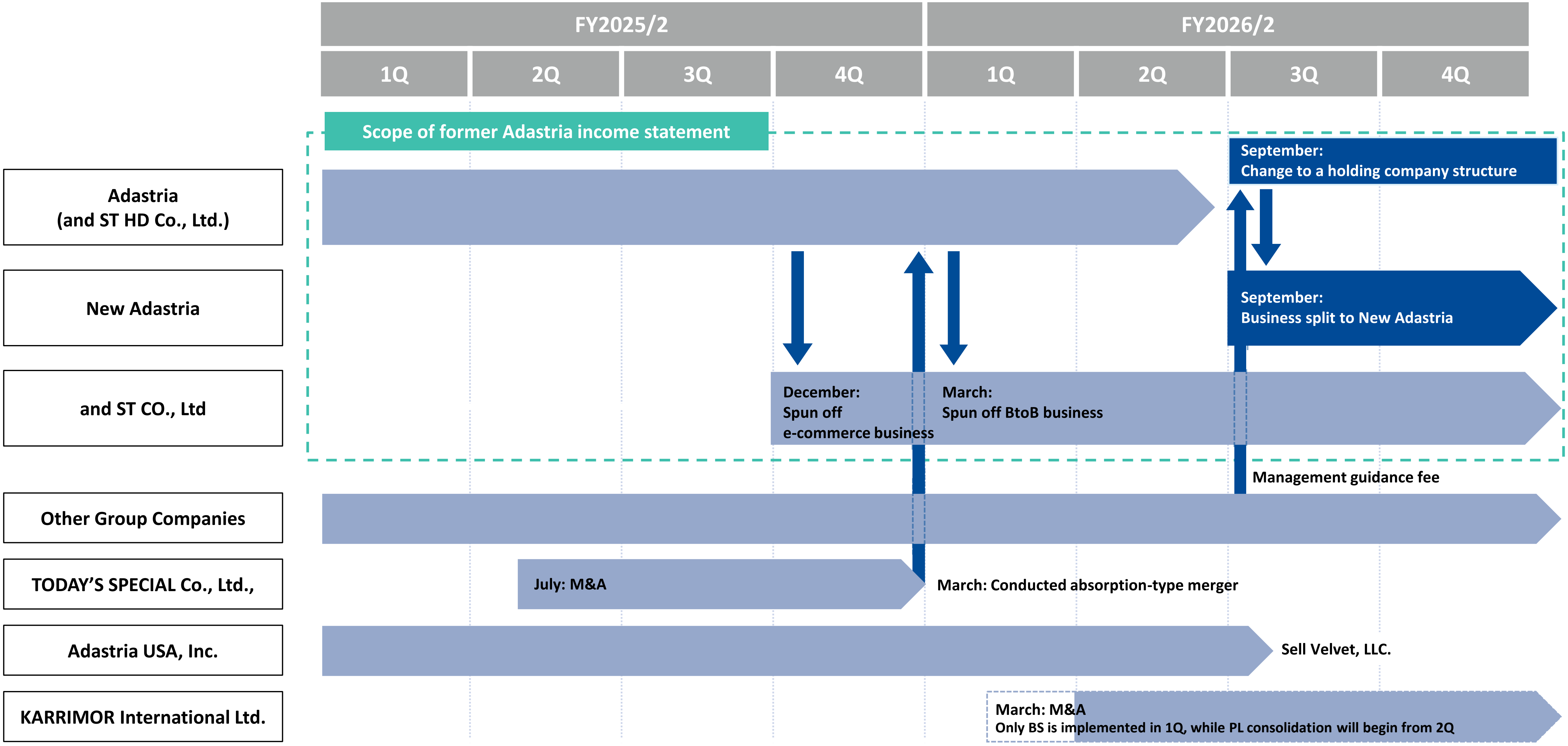
No change from the initial forecast

- While results for the first quarter exceeded expectations, the Company will be monitoring exchange rate fluctuations and rising costs closely in the second half of the year; leaving full-year forecasts unchanged

(Millions of yen)

	FY2026/02 Results	FY2027/02 Forecast	YoY
Net sales	304,351	314,000	103.2%
Gross profit	166,108	172,850	104.1%
Gross profit margin	54.6%	55.0%	+0.4p
SG&A expenses	149,583	155,650	104.1%
SG&A expenses ratio	49.1%	49.6%	+0.5p
Operating profit	16,524	17,200	104.1%
Operating margin	5.4%	5.5%	+0.1p
Ordinary profit	16,827	17,200	102.2%
Ordinary income margin	5.5%	5.5%	+0.0p
Net income attributable to owners of the parent	9,498	10,500	110.5%
Ratio of net income attributable to owners of the parent	3.1%	3.3%	+0.2p
ROE	12.0%	12.4%	+0.4p
EBITDA	28,939	27,880	96.3%
Depreciation and amortization	11,971	10,500	87.7%
Amortization of goodwill	443	180	40.6%

(Appendix) Changes in the Reporting Scope by Company and Business



Explanation on the appropriate use of performance forecasts

The forward-looking statements in this document, including performance forecasts, are based on information currently available to the Company and certain assumptions that the Company considers reasonable.

Other Notes

Figures in the materials are rounded down to the nearest million yen, and percentages are calculated from the original data.

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Play fashion!