



Goldwin Inc.

FY2026.3 Q1 Financial Results Briefing

August 6, 2025

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I. FY2026.3 Q1 RESULTS

Sales were as planned, and operating profit increased by double digits YoY due to improved gross profit. However, ordinary profit and below decreased YoY due to the impact of foreign exchange losses at YOC Korea.

INTERNAL EVALUATION OF FINANCIAL RESULTS FOR FY2026.3 Q1



Q1 results were off to a good start in line with our initial plan.

Gross profit margin improved to 53.0 % due to an increase in the sales ratio of self-managed locations.

(Unit : million yen)

	FY2025.3 Q1	FY2026.3 Q1	YoY	Internal evaluation	Comments
Net sales	24,601	23,878	- 723	As planned	Loss of revenue due to the 4 discontinued brands: approximately 600 million yen.
Gross profit	12,433	12,646	+ 213	As planned	Brand selection and focus has paid off. Marketing rates have improved due to exchange rate stabilization. The sales loss rate remains low and stable at 1.1%.
Gross profit margin	50.5%	53.0%	+ 2.5pt		
SG & A expenses	10,594	10,567	- 26	Downturn	Although there is some carryover to Q2, progress is within plan.
SG & A expenses ratio	43.1%	44.3%	+ 1.2pt		
Operating profit	1,839	2,079	+ 240	Downturn	Gross profit margin improved and expenses carried over to the Q2, resulting in an upturn.
Operating profit margin	7.5%	8.7%	+ 1.2pt		
Share of profit (loss) of entities accounted for using equity method	2,340	1,630	- 709	Slight downturn	YOC's net sales were as planned. The decrease in profits was due to the rollover of exchange losses.
Ordinary profit	4,258	3,759	- 499	Upturn	Upside due to rollover of expenses
Quarterly Net income	3,660	3,189	- 471	Upturn	Upside due to rollover of expenses
Sales ratio of self-managed locations	63%*	65%	+ 2.0pt	As planned	Sales ratio of self-managed locations increased due to the expansion of flagship stores and the effect of new store openings.

*The counting method for the number of self-operated stores has been refined from FY2024.3. Accordingly, the sales ratio of self-managed locations for FY2025.3 Q1 has been updated.

Although May fell short of internal plans, sales exceeded internal plans in April and June thanks to strong in-store proposals.

	Monthly	Plan raito	YoY	Situation
FY26.3 Net sales	April	107%	96%	The spring/summer season got off to a slow start, with many cold days, especially in the first half of the month. Functional products such as moisture-wicking and quick-drying products were the leading sellers.
	May	93%	95%	Amid large temperature fluctuations, sales of spring products were sluggish. During this time, we strengthened our year-round products and revised our sales promotion measures, but sales remained somewhat weak.
	June	102%	101%	As temperatures began to rise in late June, summer clothing began to become more popular. High-performance items such as Climate Adaptation Products that address climate change are driving sales.

FY26.3
Net sales

100.2%
(Plan raito)

97.1%
(YoY)

F2926.3 Q1 PERFORMANCE TRENDS BY BUSINESS SEGMENT

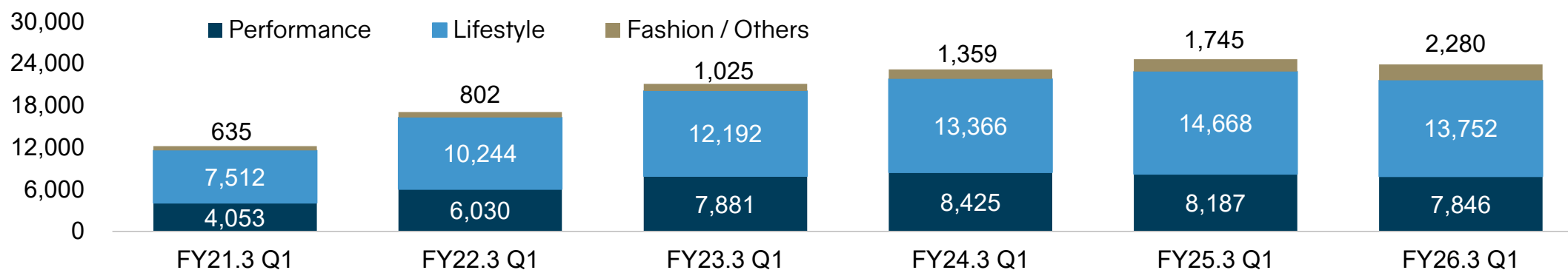


Due to the discontinuation of 4 brands in FY2025.3, Performance and Lifestyle sales decreased YoY.

Sales by Business segment (Unit : million yen)

	Performance		Lifestyle		Fashion / Others	
	FY26.3 Q1	Full year plan	FY26.3 Q1	Full year plan	FY26.3 Q1	Full year plan
Results	7,846	42,800	13,752	83,500	2,280	14,200
YoY (%)	95.8%	106.9%	93.8%	103.7%	130.6%	121.3%
YoY (million yen)	- 341	+ 2,751	- 916	+ 2,950	+ 534	+ 2,494
Raito to sales(%)	32.9%	30.5%	57.6%	59.4%	9.5%	10.1%

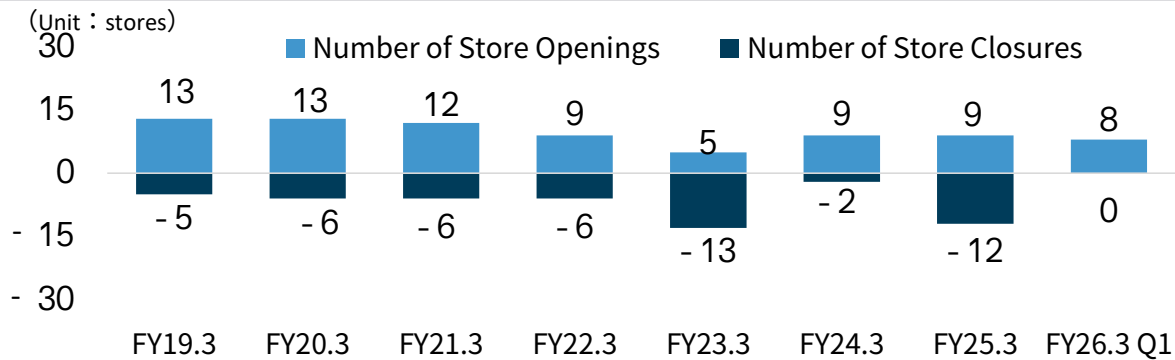
(Unit : million yen)



CHANGES IN THE SALES RATIO OF SELF-MANAGED LOCATIONS & THE NUMBER OF SELF-OPERATED STORES

**In FY26.3 Q1, there were 8 store openings and 0 stores closures, for a total of 168 stores.
For the full-year, there will be 16 store openings and 8 store closures, for a total of 168 stores.**

Changes in the number of self-operated stores (top graph) and trends in the number of self-operated stores and the sales ratio of self-managed locations (bottom graph)

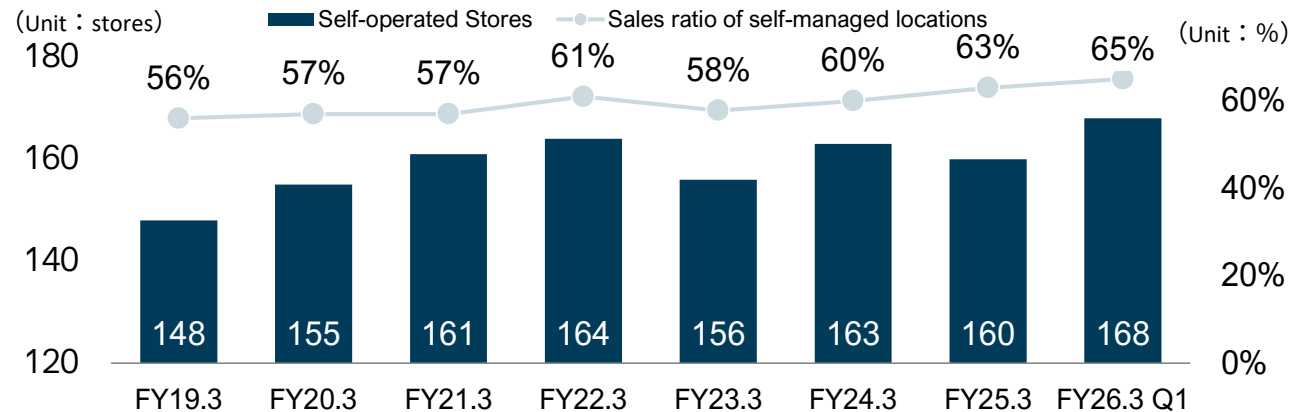


Plans to open 16 stores in FY26.3, mainly in mainland China

Of the 16 stores planned for the full-year, Goldwin will be open 3 stores in mainland China and 1 store in Japan, and THE NORTH FACE, NEUTRALWORKS., and nanamica each will add 1 store etc., in Q1.

Plans to close 8 stores, mainly canterbury, in FY26.3

Scheduled to close in Q3, primarily 5 canterbury stores.
For the full-year, 16 stores will be opened and 8 will be closed, for a total of 168 stores at the end of the fiscal year.



Why a 60 % sales ratio of self-managed locations is the optimal balance

In order to achieve both "development of original brands" and "diversification of sales channels," the optimal balance is set at 60 % during the medium-term management plan period.

Note: The number of self-operated stores in FY24.3 does not match the total number of store openings and closures due to adjustments related to the transfer of franchise stores.

The counting method for the number of self-operated stores has been refined from FY2024.3. Accordingly, the sales ratio of self-managed locations for FY2025.3 Q1 has been updated.

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II. PROGRESS ON KEY ISSUES

Operating profit exceeded initial plan due to improved gross profit margin and flexible expense execution.



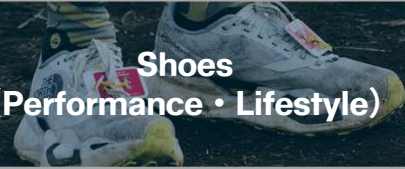
PROGRESS ON KEY ISSUES



Gross profit margin is expected to exceed the initial plan, mainly due to improvements in procurement costs. Expenses will be managed flexibly while monitoring sales conditions.

	No.	Key points	Full-year KPI	FY2026.3 Q1 progress
Net sales	1	THE NORTH FACE apparel	YoY 105.1%	Sales of midsummer products such as T-shirts and hats were sluggish, sales of thin shell products were outperforming, securing sales. Cost reductions also had an effect, improving the gross profit margin.
	2	THE NORTH FACE gear (hard goods)	YoY 108.7%	Market inventory of classic bags has returned to normal, leading to increased sales. VECTIV3.0 shoes have been well received.
	3	Inbound sales ratio	YoY increase	Customer numbers increased in East Asia, particularly in mainland China and Taiwan. High growth rates were also recorded in the United States and Southeast Asia.
Gross profit margin	4	Gross profit margin	52.7 %	Gross profit margin improved in Q1 and is expected to remain the same in Q2 by limiting discounts.
SG & A expenses	5	SG & A expenses	Increased by 1.8 billion yen YoY last year (excluding one-time expenses)	As of Q1, 0.6 billion yen in planned spending remains unexecuted.
Priority measures	6	Goldwin500 Mainland China store opening plan	10 new Goldwin stores	Under the "Goldwin500" initiative, store openings in mainland China have proceeded according to plan.
	7	Korean business Share of profit (loss) of entities accounted for using equity method	YoY profit increase	Although the full-year net sales are forecast to remain stable, profit is expected to decline due to foreign exchange losses.

Top line secured by multiple drivers. The gross profit margin increased due to enhanced functionality, selective price increases, and a decline in the cost of sales ratio.

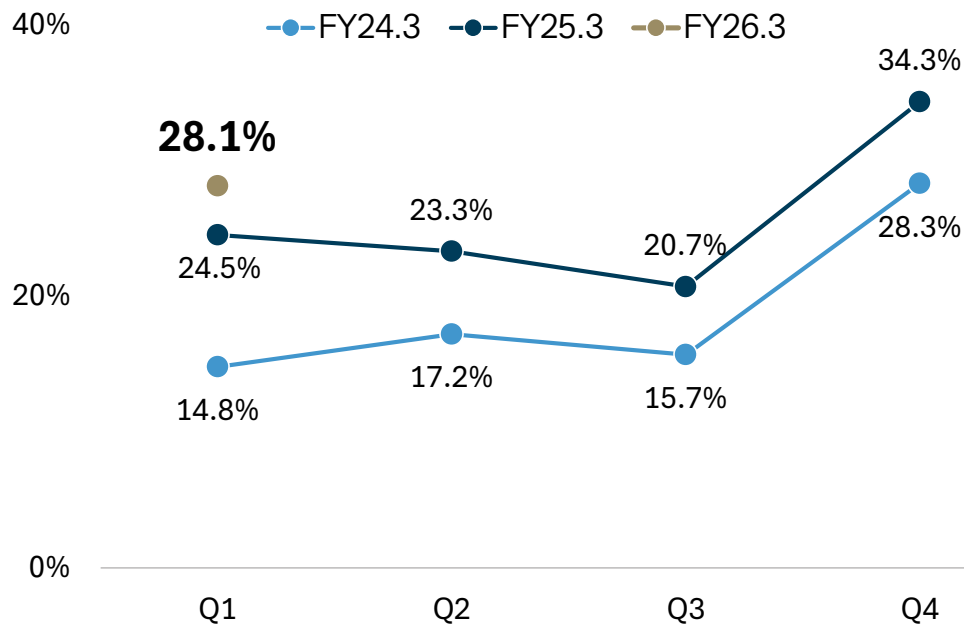
Items	 Highly functional products (Performance)	 City Use / Urban Use (Lifestyle)	 Shoes (Performance • Lifestyle)
Consumption trends product lineup	Stable : Growing demand for mountain climbing and running. Lightweight and mid-weight clothing and high-performance T-shirts are performing well. Structural change is progressing due to global warming.	Stable : The composition ratio is expanding, mainly in urban areas. Sluggish : Sales in the lifestyle category remain sluggish, as the spring season has shortened due to higher temperatures. Structural changes driven by global warming are underway.	Well-received (Performance) : VECTIV and others are popular. Sluggish (Lifestyle) : Sales of sandal-type items slowed down through June.
Inbound demand	Outperforming : High-priced models for wealthy customers are performing well. High unit prices and gross profit on sales are contributing greatly.	Stable : Souvenir products at directly managed stores and SMU (Special Make Up) for inbound tourists are performing well. Demand for bulk purchases continues, resulting in stable performance.	Slow : Inbound response to shoes is still sluggish. High-performance shoes have limited impact in terms of quantity.
Climate change	Stable : There is a strong need for breathable and quick-drying products, and quick-response items have been a success. Lightweight and medium-weight clothing and high-performance T-shirts have also contributed.	Some areas are strong : Inbound tourists are showing purchasing trends unrelated to weather factors, contributing to an increase in unit prices.	Sluggish : Although deliveries of sandals were accelerated, market response was delayed to meet actual demand in midsummer.
Exchange and Pricing	Sluggish : Due to the shift to PFAS-free materials, which has led to increased production costs, high-priced products are struggling in the market.	Outperforming : In the high-end segment, the impact of the weaker yen has been absorbed. The gross profit margin is showing signs of improvement. Price increases are not considered a concern for inbound demand.	Some areas are stable : Despite rising costs, the high-priced shoe range remained strong due to appealing functionality. General lifestyle products are significantly affected by exchange rates.

DIRECTLY MANAGED STORE INBOUND SALES RATIO (NO. 3)

The increase in customer numbers from mainland China, Taiwan, and other East Asian countries has had a major impact.

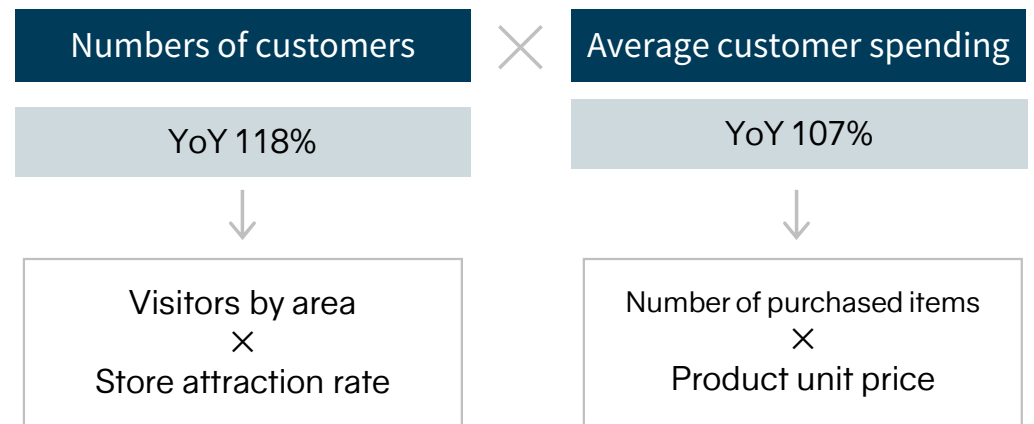
Both the number of customers and average customer spending increased YoY.

Inbound sales ratio (self-operated stores)



Tourists from East Asia continue to drive sales. While currency exchange rates have had an impact, interest in Japanese products such as THE NORTH FACE remains strong.

Analysis of inbound sales factors



Reference) Inbound net sales ratio by prefecture (YoY Comparison)

Top prefectures	FY25.3 Q1	FY26.3 Q1	YoY
Fukuoka	46%	56%	+ 10pt
Osaka	42%	53%	+ 11pt
Okinawa	39%	48%	+ 9pt
Tokyo	36%*	37%	+ 1pt

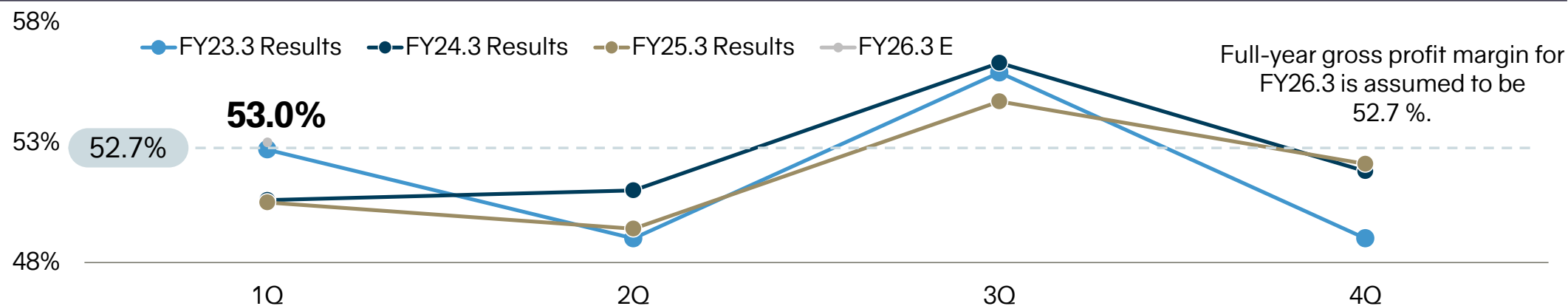
* The Tokyo category also includes sales from suburban stores.

GROSS PROFIT MARGIN INITIATIVES (NO. 4)



**In Q1, the gross profit margin increased by 2.5 points YoY to 53.0%.
Although the Q2 is clearance season, we will continue to limit discounts.**

Gross profit margin trends



	Q1	Q2	Q3	Q4	Full-year
FY22.3 Results	52.6%	49.8%	56.6%	49.5%	52.7%
FY23.3 Results	52.7%	49.0%	55.9%	49.0%	52.2%
FY24.3 Results	50.6%	51.0%	56.3%	51.8%	52.9%
FY25.3 Results	50.5%	49.4%	54.7%	52.1%	52.1%
FY26.3 Progress	53.0%	—	—	—	E 52.7%
YoY	+ 2.5pt	—	—	—	—

FACTORS BEHIND THE INCREASE IN SELLING, GENERAL AND ADMINISTRATIVE EXPENSES FOR FY26.3 (NO. 5)



**In FY26.3, 4.6 billion yen of the planned budget remains unspent YoY.
As of Q1, 600 million yen of the plan remains unspent.**

(Unit : 100 million yen)

	FY26.3 Plan	FY26.3 Q1 Progress		通期見通し
	After deducting one-off expenses YoY	Q1 Plan-based increase	Internal evaluation	
Advertising expenses	+ 7	- 3	Period lag	While conducting rigorous scrutiny of marketing measures, strategic measures were implemented as planned.
Personnel expenses	+ 18	0	Emphasis on second half	Not implemented in the first half due to under-recruitment. Plans for the second half. Flexible review will be conducted depending on recruitment progress.
Rent fee	+ 6	0	Slight excess	There is a possibility of a slight increase due to the impact of overseas store openings, etc. However, the scope will be limited.
Depreciation	+ 1	0	As planned	There were no large-scale investment projects, and the progress was within expectations.
Business activity expenses	+ 10	- 2	Period lag	Projects are currently underway for the second half of the year, with progress in progress. Progress is within plan for the full fiscal year.
Logistics expenses	+ 1	0	As planned	Costs remained at a controllable level due to improvements in operational efficiency.
Others	+ 3	- 1	Stable level	No additional cost factors.
Total	+ 46	- 6	600 million yen remains unspent on the plan	Total SG & A expenses for the full year are expected to be executed as planned.

A series of measures related to store openings in mainland China are beginning to function in an integrated manner under the "Goldwin500*" strategy.

Store openings and plans

Times	Cities	Malls
Existing (Previous period results)	Beijing	Sanlitun (Taikoo Li Group)
	Chengdu	Chengdu Taikoo Li
	Shanghai	Kerry Center
	Hangzhou	MixCity
Apr. 2025 (Already open)	Nanjing	Deki Ki (DEJI PLAZA)
Jun. 2025 (Already open)	Shenzhen	MixCity
	Shenyang	MixCity
Aug. 2025	Xi'an	SAIGA

Specific store opening measures

1. Regional strategy: Prioritizing first-tier cities

- Priority areas for store openings: Beijing, Shanghai, Shenzhen, and Hangzhou in mainland China
→ Competitive advantages confirmed in all areas of supply efficiency, branding, and recruitment
- Suburban and second-tier cities: Not a short-term priority, but test the market through pop-ups

2. Improve store efficiency

- Increase monthly sales per store by 30 % from current levels
- Strengthening the client's business to attract trend-conscious customers

3. Store opening operation transformation

- Modular store design → Store opening possible in 3 months
- Employment and in-house production by Goldwin China Enterprise Ltd.

*We announced "Goldwin500" as a new project in April 2024 to develop the global sales of the Goldwin brand to 50 billion yen in 10 years by 2033.

The factors that affect earnings are temporary. Meanwhile, the medium- to long-term growth drivers of category, channel, and business alliance with Goldwin are steadily evolving.

YOUNGONE OUTDOOR Corporation (YOC)

	Jan.	Feb.	Mar.	Apr.	May	Jun.
	4Q			1Q		
Goldwin (Apr.-Mar.)	The cold wave arrived later than usual, and cold weather gear continued to be in demand until early spring.			Sales were strong due to increased demand for going out and inbound sales.		
	1Q			2Q		
YOUNGONE OUTDOOR Corporation (Jan.-Dec.)	Low temperatures continued in February and March, causing difficulties for plum and spring products, but sales remained the same as the same period last year			Net sales are progressing in line with plan thanks to stable product supply and the effect of social media		

Factors	Evaluations	Contents
YOC's top line for Jan. to Mar. is in line with the plan	Stable	Sales are trending flat YoY. Sales remain solid despite a slowdown in consumption in the Korean market as a whole.
Affected by foreign exchange losses	Sluggish	A profit was recorded in the previous period, and a loss was recorded in the current period.

Possible developments by product / channel

Perspectives	Evaluations	Contents
Apparel	Stable	Winter sales will be the main focus for the full fiscal year. There is a risk of sales being delayed depending on the temperature. However, brand recognition is high and there is a certain base demand.
Hard goods	Expansion	Bags and accessories are growing. Collaboration products with Japan, such as running gear centered on shoes, are also expanding.
Channel expansion	Attention	This fall, we plan to open a directly managed store in Seoul. We are also promoting the expansion of online sales.
Expanding the running market	New trends	Starting with the holding of THE NORTH FACE 100 Korea, the sales composition ratio of running (apparel and shoes) in Korea increased compared to the same period last year.



III. PLAN FOR FY2026.3

Maintaining progress in line with initial plan while simultaneously improving gross profit margin and controlling expenses.

Going forward, we will continue to optimize the allocation of management resources to achieve our full-year plan while closely monitoring the external environment.

Although there is uncertainty in the external environment, negative factors are being kept to a minimum at present.

Items		Current situation and assumptions	Solutions
<div>Net sales Q1 Results</div> <div>23.8 billion yen</div> <div>↓</div> <div>Net sales full-year plan</div> <div>140.5 billion yen</div>	1	Net sales outlook	<div>Inbound demand will remain solid going forward</div> <div>The sales outlook is based on the assumption that purchasing decisions will be driven more by actual demand than by price range</div> <div>Strengthening products for inbound tourists and reconsidering regional merchandising</div> <div>Product lineup will be optimized by use and occasion to develop new markets</div>
	2	Profit margin outlook	<div>Rising raw material prices and a continuing weak yen</div> <div>Continue selective price increases</div> <div>Cost reduction measures (change of procurement location, review of process) and strengthening of currency hedging</div> <div>Redefining brand positioning by price range Introducing limited-edition products and continuing selective price increases</div>
	3	Building a business foundation	<div>Attention is focused on the premium sports market</div> <div>The increasing importance of sports brands' value appeal</div> <div>Opening flagship stores in mainland China, Japan, South Korea, Europe and the US</div> <div>Thorough management of order flow, inventory planning, and precise timing of product introduction</div>

Elimination of one-time expenses resulted in both top-line growth and improved operating profit margins.

(Unit : million yen)

FY	FY24.3	FY25.3	FY2026.3		
	Results	Results	Plan	YoY (%)	YoY (million yen)
Net sales	126,907	132,305	140,500	106.2%	+ 8,195
Gross profit	67,173	68,925	—	—	—
Gross profit margin	52.9%	52.1%	52.7%	+ 0.6pt	—
Operating profit	23,847	21,905	25,900	118.2%	+ 3,995
Operating profit margin	18.8%	16.6%	18.4%	+ 1.8pt	—
Ordinary profit	32,601	30,806	33,900	110.0%	+ 3,094
Ordinary profit margin	25.7%	23.3%	24.1%	+ 0.8pt	—
Net income	24,281	24,444	25,400	103.9%	+ 956
Net income margin	19.1%	18.5%	18.1%	- 0.4pt	—

Existing products will be multiplied with new signs, evolving into growth drivers.

Growth drivers - Tailwind factors for selective consumption behavior -

	Multiplication of growth drivers	内容
1	Athletic ×	<ul style="list-style-type: none"> ■ Athletic lifestyles that utilize the technology developed for mountain climbing and trail running wear are expanding in urban areas. ■ While the contribution to sales is currently limited, we expect demand for high-performance models such as VECTIV for urban use to grow among the discerning demographic.
	Needs for high-performance	
2	Inbound ×	<ul style="list-style-type: none"> ■ Inbound sales contribute to an increase in the gross profit margin due to their high unit purchase price and high tolerance for price increases. ■ With inbound tourists becoming more inclined to consume experiences, the number of families visiting Japan is increasing, and we continue to focus on this group as our valued customers.
	Experience consumption	
3	Standard gears ×	<ul style="list-style-type: none"> ■ Backpack sales performed strongly, exceeding plan by 110 %, thanks to inventory adjustments made by wholesalers such as large sporting goods retailers. ■ The gear category is expected to grow 8 % compared to the previous year for the full-year, and is expected to be an important pillar providing stable support for base sales.
	Inventory normalization	



We are currently working on the design of the next generation CRM centered around brands such as Goldwin and THE NORTH FACE.

Current domestic demand issues

1	Customer retention and purchase frequency remain areas of concern.	
	Quality of LTV	<ul style="list-style-type: none"> Although the customer base is expanding, the efficiency of converting this into net sales is limited. Improve the repeat customer structure and link customer acquisition costs to profits.
2	Next-generation CRM centered on brand	
	CRM redesign	<ul style="list-style-type: none"> Designing the next CRM strategy centered on brands such as Goldwin and THE NORTH FACE.
3	Room for improvement in efficiency of acquiring new members	
	Ad integration	<ul style="list-style-type: none"> It is necessary to reconstruct acquisition strategies that are linked to the CRM infrastructure.



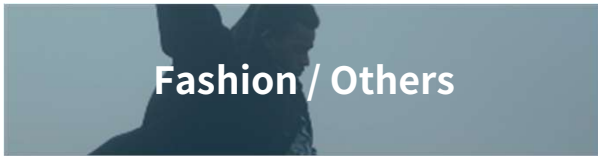
CRM initiative policy

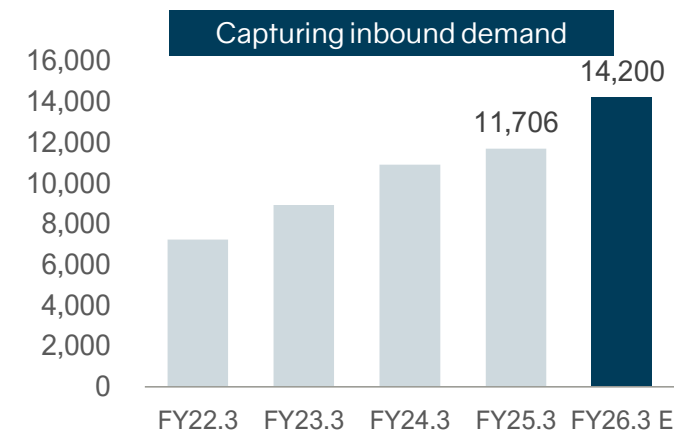
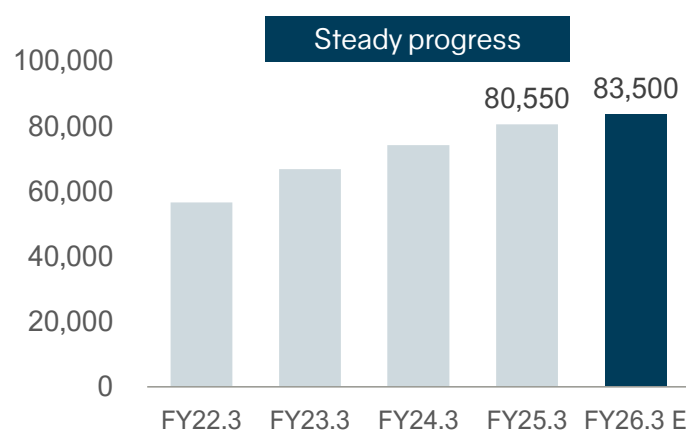
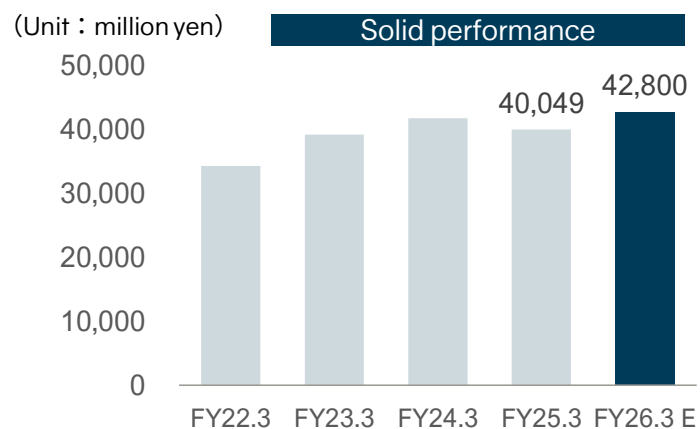
Phase	KPIs	Policies
① Acquisition	Number of new members	Expansion of the customer base to serve as a source of future net sales. Improving customer acquisition efficiency is a challenge.
② Development	Repeat purchase rate	Stability of customer relationships. The starting point for improving LTV. A direct result of CRM initiatives.
③ Foundation	High-frequency members sales ratio	Revenue concentrated among a small number of customers. This shows the depth of the fan base and the stability of revenue.
④ Results	Member LTV	A core profitability indicator. Shows the return on CRM investment and brand profitability.

PLAN BY BUSINESS SEGMENT



Further improve quality in the Performance area and develop new customer segments in Lifestyle and Fashion / Others.

Sales by Business segment			
(Unit : million yen)			
Plan	42,800	83,500	14,200
YoY	106.9%	103.7%	121.3%
Net sales composition ratio	30.5%	59.4%	10.1%



Note) "Others" includes sales from Alpine Tour Service Co., Ltd., cafes, etc.

FACTORS AFFECTING GROSS PROFIT MARGIN AND COUNTERMEASURES

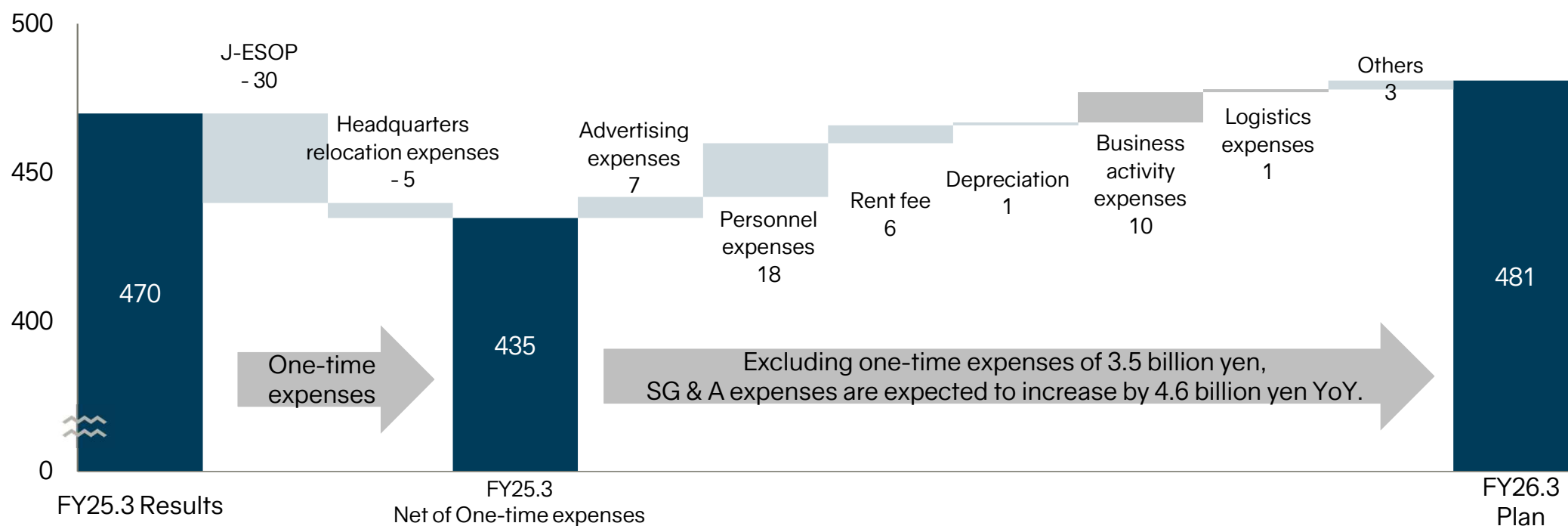
**FY26.3 Q1 gross profit margin was 53.0 %, exceeding the initial plan.
Steady progress is being made toward achieving the full-year target of 52.7 %.**

<div>FY26.3 Q1 Results</div> <div>53.0%</div> <div>↓</div> <div>FY26.3 Full-year Plan</div> <div>52.7%</div>	No	Factors	Contents	Management / Measure examples
	1	Mark-up rate	The difference between the sales price set against the purchase cost of the product	<ul style="list-style-type: none"> ■ Improved accuracy of initial price setting ■ Currency impact ■ OEM price negotiations
	2	Actual selling price	Actual sales price after discounts and promotions (= list price x sales coefficient)	<ul style="list-style-type: none"> ■ Redesigning promotions ■ Sale timing control ■ Price control for each sales channel
	3	Sales composition (mix)	Sales ratio by gross profit margin	<ul style="list-style-type: none"> ■ Increased proportion of high-performance items ■ Optimized collection design
	4	Disposal and return losses	Factors that cause profit loss due to product disposal and returns	<ul style="list-style-type: none"> ■ Purchasing based on precise supply and demand forecasts ■ Input management and e-commerce site return rate reduction
	5	Logistics and storage costs	Warehouse and transportation costs affect costs	<ul style="list-style-type: none"> ■ Reviewing delivery times ■ Streamlining logistics operations in 2 locations: Toyama and Kanto

GRAPH OF FACTORS BEHIND INCREASES AND DECREASES IN SG & A EXPENSES

SG & A expenses are expected to increase by 4.6 billion yen, excluding one-time expenses. The main reason for this is an increase in personnel costs to strengthen sales capabilities.

Full-year forecast and plan (Unit : 100 million yen)



- Personnel expenses are expected to increase 1.8 billion yen YoY, reflecting the conversion of contract sales employees to full-time and hiring experienced staff at subsidiaries.
- Business activity expenses are consulting costs associated with strengthening brand power and building business foundations.

CHANGES IN INVENTORY BALANCE

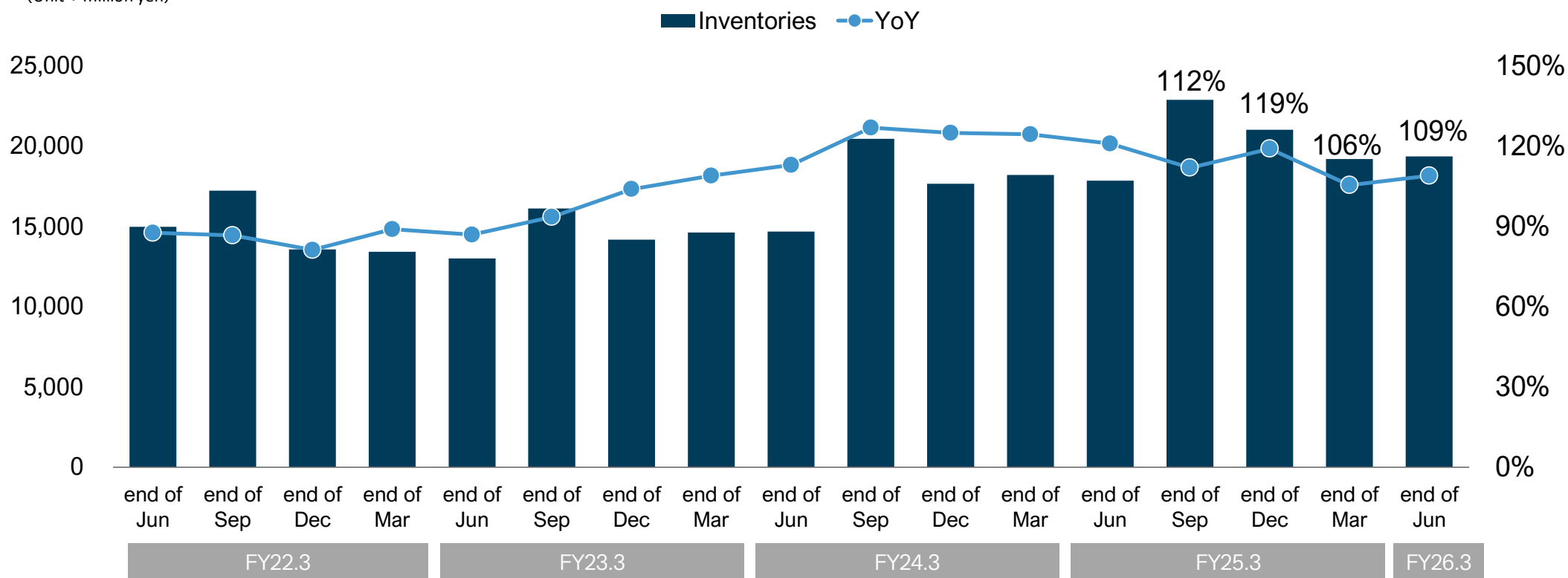


Progress is in line with plan.

Trends in inventory balances while curbing excessive discounts and maintaining a healthy sales system.

Quarterly inventories balance

(Unit : million yen)



Note: Inventories represents the total balance of merchandise and finished goods, work in process, raw materials, and supplies.

IV. Goldwin500 PROGRESS REPORT

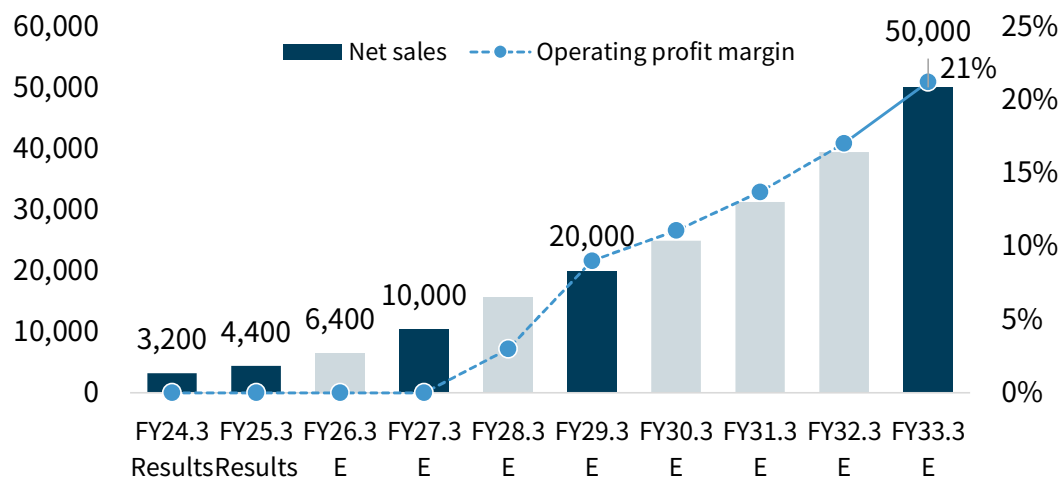
In pursuit of achieving net sales of 10 billion yen in FY2027.3,
we have been working on brand penetration and sales channel expansion in major markets.
We are now beginning to establish a growth foundation to achieve our Goldwin500.

The company expects to realize sales of 10 billion yen, a milestone set in its mid-term strategy "Goldwin500," in FY2027.3.

Overview of the Goldwin500 project

	FY25.3	FY26.3 E	YoY
Net sales	4.4 billion yen	6.4 billion yen	145.5%
Operating profit	- 0.8 billion yen	- 1.1 billion yen	-

(Unit : million yen)



Start by opening 4 or more directly managed stores each fiscal year

Turned profitable in FY27.3

Promote reductions in cost rates and SG & A expenses through mass production benefits

Operating profit margin to reach 20 % range in FY33.3

Review of store opening strategies in mainland China

1. Concentrating in first-tier cities is effective for brand appeal and recruiting

- There were greater-than-expected differences in "gaining awareness, securing personnel, and sales efficiency" depending on the store location
- Regional cities take more than a year to build awareness
 - Contribution to short-term profits is difficult
 - Concentrating on first-tier cities in the short term, but developing second-tier cities in the medium to long term

2. Strengthening directly managed stores to provide brand experience and customer service quality

- Directly managed stores were able to differentiate themselves through brand experience and customer service quality
- Wholesale and e-commerce site are ways to expand sales, but direct management is the core for brand recognition and experience
 - Plan to earn 4 billion yen from self-operated stores out of 4.5 billion yen in mainland China

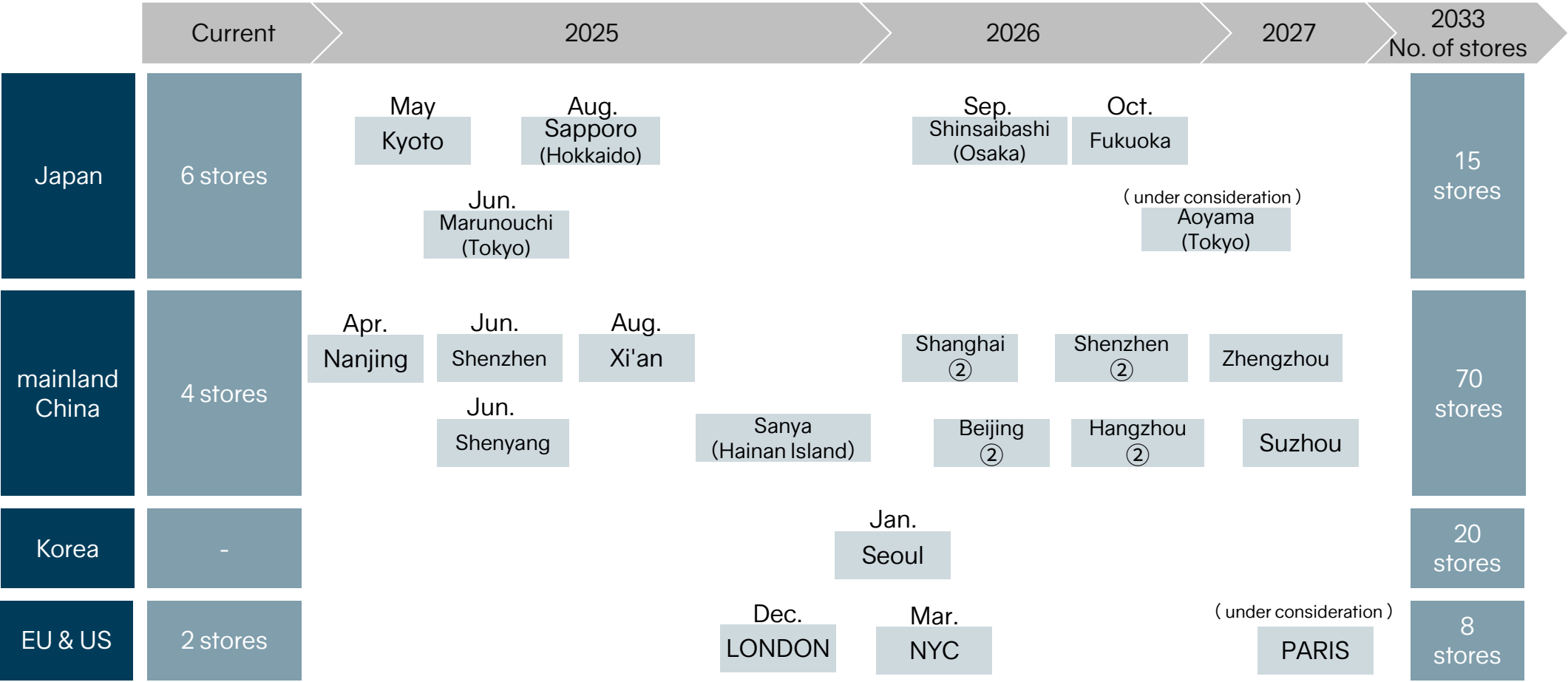
3. The "development period" during the COVID-19 pandemic contributes to employee training

- During the COVID-19 pandemic, we focused on training local staff in brand understanding and sales skills and developing self-sufficient personnel.
- After economic activity resumed, locally led store operations and customer service progressed, strengthening the foundation for sustainable growth

GOLDWIN BRAND STORES OPENING PLANS IN EACH REGION



Store opening plans are progressing as scheduled.



Product development, human resource investment, and SCM construction are underway in preparation for "Goldwin500"

Net sales of approximately 10 billion yen

→ A "minimum business scale" that allows product development, human resource investment, and SCM construction to circulate.

Net sales of approximately 50 billion yen

→ A "perfect management structure" that has independent competitiveness as a global brand.

Short term: Establish a revenue base

Establishing a self-sustaining foundation for the business

Turn the profit structure into profit and establish an investment recovery cycle

Establishing a presence in the market

Achieving both brand recognition and profitability in first-tier cities

Improvement of the internal structure

Direct management, product supply, and in-house production move into the implementation phase

Specific measures

- Mainland China: Strengthening self-operated stores in first-tier cities, improving sales efficiency at 10 stores
- Japan: Strengthening brand value and establishing a model at new stores (Kyoto and Marunouchi in Tokyo)
- SCM: Establishment of a supply system for short delivery times and high value-added products

Mid-term: Management structure transformation

Shift to brand portfolio management

Established a "regional diversification x brand diversification" model in mainland China, Japan, Europe, the US and Korea

Qualitative change in earnings

Increase DTC ratio to maximize gross profit margin and brand control

Global optimization

Optimal global location of product development, production, and sales functions

Specific measures

- Mainland China: Deep development in first-tier cities
→ Gradually expand to second-tier cities, becoming a pillar of 30 billion yen
- Europe, the US, and Korea: Opening flagship stores and entering the premium market (New York, London, Seoul)
- Japan: Establishing functions as brand headquarters

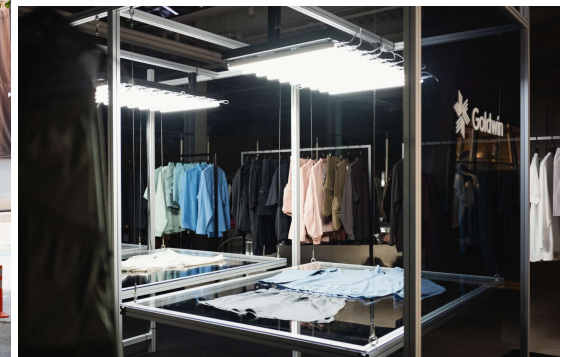
Plans to open a flagship store in Seoul in 2025

- This spring, following Shinsegae Department Store Gangnam Branch and Hyundai Department Store Pangyo Branch, pop-up stores open at Hyundai Department Store Trade Center Branch and EQL GROVE.
- We plan to launch our own e-commerce site in the fall of 2025.

Hyundai Department Store Trade Center Branch



EQL GROVE (Seongsu)



THE NORTH FACE MARUNOUCHI OPENS

The first store in the Marunouchi area to offer all categories of THE NORTH FACE products



Forming a network of 3 locations
in the city center



THE NORTH FACE UNLIMITED Ginza SIX



THE NORTH FACE PLAY Hibiya Midtown

The locational advantage of being near Tokyo Station

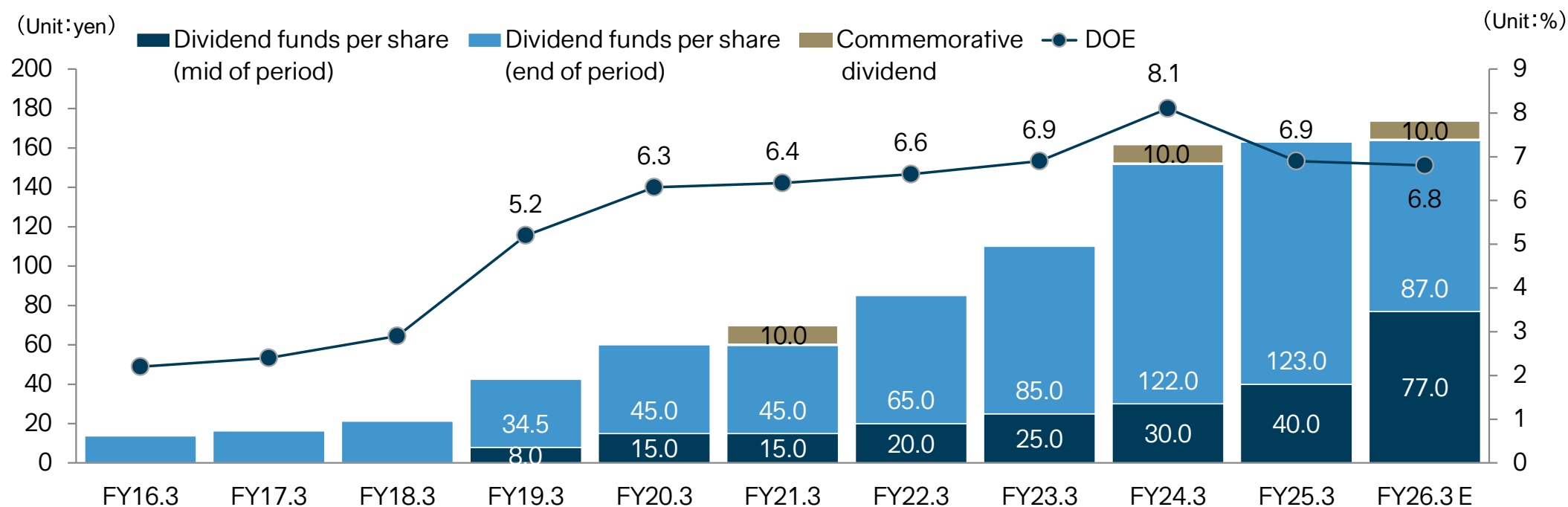
- The majority of customers are relatively older, with those in their 40s accounting for 35 % of net sales.
- The inbound sales ratio is in the 10 % range. Japanese customers are driving sales. Going forward, the company expects to increase inbound tourism by utilizing surrounding signage.
- Our location "Around Tokyo Station" is a major advantage, attracting customers and inquiries from all over the country.

Lifestyle products are receiving a outperforming response

- Lifestyle products such as THE NORTH FACE Purple Label are selling well. The jet black T-shirts from "JAPAN SPECIAL MAKEUP PRODUCTS" are particularly popular.

**The plan for FY26.3 is to achieve the 15th consecutive year of increased dividends.
The dividend balance (interim: year-end) will shift to a 50:50 full-year structure.**

Dividend per share and DOE(Dividend on equity ratio)



(Note) Commemorative dividends of 10 yen were paid in FY21.3 and FY24.3.

The interim dividend forecast for FY26.3 of 87 yen includes a 10 yen commemorative dividend for the 75th anniversary of the company's founding.

The year-end dividend for FY26.3 is planned to be 29 yen per share, based on a planned stock split of 3 common shares, effective Oct. 1, 2025. Converting this to 87 yen before the stock split, the total annual dividend would be 174 yen.

Summary of financial results for FY2026.3

1	Q1 results in line with initial plan profitability also remains stable	<ul style="list-style-type: none"> ■ In the face of climate change and fluctuations in inbound demand, flexible supply adjustments and precise inventory management have enabled sales and profits to generally arrive in line with initial plans. ■ The gross profit margin was 53.0 %, exceeding the full-year forecast of 52.7 %.
2	Korea YOC's profit decline is temporary no change in mid- to long-term policy	<ul style="list-style-type: none"> ■ Although Share of profit (loss) of entities accounted for using equity method at Korean subsidiary YOC decreased due to foreign exchange losses, this is recognized as a factor. ■ Category and channel strategies and business collaborations are progressing steadily, and local demand is strong. No change to mid- to long-term policy.
3	The mid-term plan is steadily progressing. Both “Goldwin500” and THE NORTH FACE are on track.	<ul style="list-style-type: none"> ■ Penetration into trend-conscious customers in mainland China and the store opening strategy are progressing in line with the plan. ■ We are also seeing steady results in the premium sports market, and have begun strengthening our supply chain in order to build the foundation for our medium-term management plans (such as Goldwin500).

V. Appendix

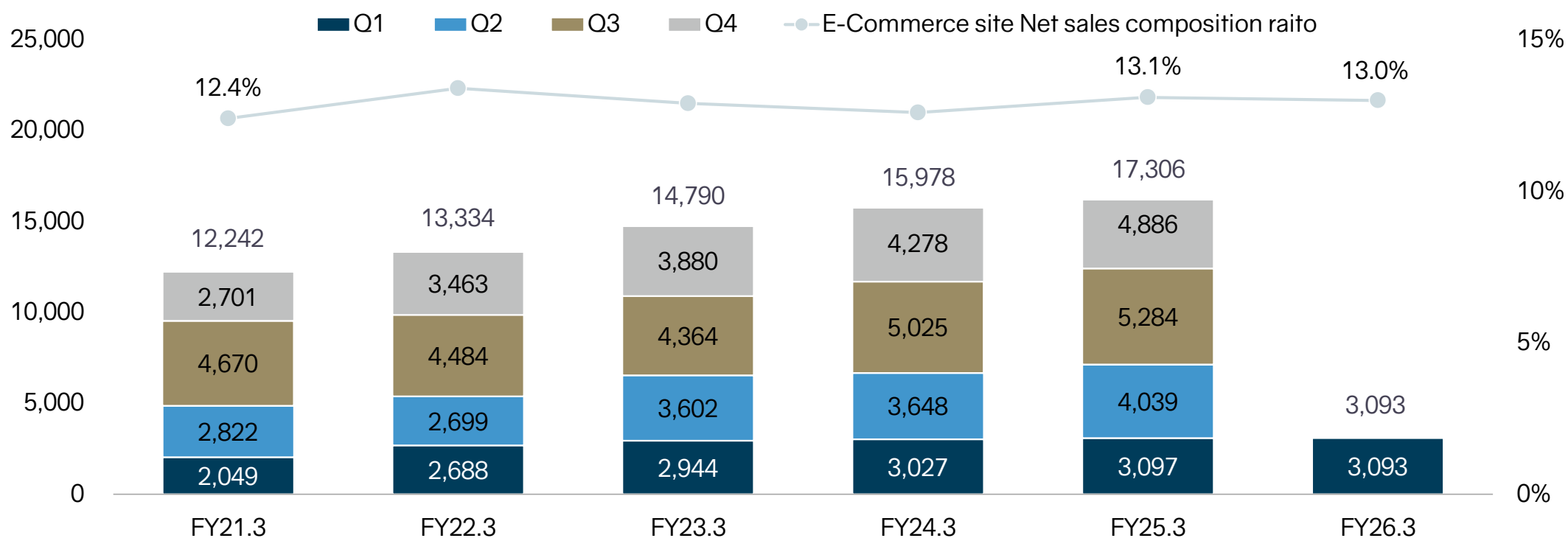
The gross profit margin improved by 2.5 % points YoY. Although sales declined YoY due to the discontinuation of certain brands, we are continuing to focus on brand selection and concentration.

Q1 (Unit : million yen)

	FY2022.3 Q1	FY2023.3 Q1	FY2024.3 Q1	FY2025.3 Q1	FY2026.3 Q1	FY2026.3 YoY
Net sales	17,078	21,099	23,150	24,601	23,878	97.1%
Gross profit	8,986	11,122	11,710	12,433	12,646	101.7%
Gross profit margin	52.6%	52.7%	50.6%	50.5%	53.0%	+ 2.5pt
SG & A expenses	7,851	8,855	9,446	10,594	10,567	99.7%
SG & A expenses ratio	46.0%	42.0%	40.8%	43.1%	44.3%	+ 1.2pt
Operating profit	1,135	2,266	2,263	1,839	2,079	113.1%
Operating profit margin	6.6%	10.7%	9.8%	7.5%	8.7%	+ 1.2pt
Ordinary profit	1,696	3,368	4,172	4,258	3,759	88.3%
Ordinary profit margin	9.9%	16.0%	18.0%	17.3%	15.7%	- 1.6pt
Quarterly Net income	1,235	2,603	3,347	3,660	3,189	87.1%
Sales ratio of self-managed locations	7.2%	12.3%	14.5%	14.9%	13.4%	- 1.5pt

E-commerce site sales for FY 2026.3 Q1, decreased slightly YoY due to the impact of growing inbound demand.

(Unit : million yen)



Note: E-commerce site sales include both in-house and third-party E-commerce site platforms.

Launch of IR email distribution service and enhancement of Investors Relations website

IR email distribution service

We have launched an IR email distribution service to deliver company information to shareholders and investors as quickly as possible. We encourage you to register for this service.



<http://about.goldwin.co.jp/ir/mail>

Investors Relation site

In addition to financial statements and information, we also provide content to help you gain a deeper understanding of our company. We plan to release a series of interviews in the near future.



<http://about.goldwin.co.jp/ir>