

# Summary Report of Consolidated Financial Results

## For the Six Months Ended December 31, 2024

(All financial information has been prepared in accordance with accounting principles generally accepted in Japan.)

### Pan Pacific International Holdings Corporation

Securities Code No.: 7532  
 Shares Listed: Tokyo Stock Exchange  
 Address: Dogenzaka-dori 8F 2-25-12 Dogenzaka, Shibuya-ku, Tokyo  
 Representative: Naoki Yoshida, President and CEO, Representative Director  
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(Amounts in million yen are rounded off to the nearest million)

### 1. Overview of Business Results and Financial Position for the Six Months of Fiscal 2025 (From July 1, 2024 to December 31, 2024)

#### (1) Results of Business Operations (Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Profit	Change (%)	Profit Attributable to Owners of Parent	Change (%)
Six Months Ended December 31, 2024	1,128,614	7.7	89,749	18.9	86,914	18.1	53,977	12.0
Six Months Ended December 31, 2023	1,047,594	7.1	75,501	31.4	73,607	28.6	48,214	31.1

[Note] Comprehensive income: 51,757 million yen [(10.8%)] (as of December 31, 2024), 57,996 million yen [20.7%] (as of December 31, 2023)

	Net Income Per Share (Yen)	Net Income Per Share -fully diluted (Yen)
Six Months Ended December 31, 2024	90.41	90.05
Six Months Ended December 31, 2023	80.80	80.55

#### (2) Financial Position

As of	Total Assets	Net assets	Ratio of Shareholder's Equity to Total Assets (%)
December 31, 2024	1,564,179	584,175	36.6
June 30, 2024	1,498,410	547,003	35.8

[Reference] Equity: 572,945 million yen (as of December 31, 2024), 536,494 million yen (as of June 30, 2024)

### 2. Dividends

	Annual Dividend per share (yen)				
	Three Months End of September 30	Six Months End of December 31	Nine Months End of March 31	Year End Of June 30	Total
Fiscal Year Ended June 30, 2024	—	5.00	—	25.00	30.00
Fiscal Year Ending June 30, 2025	—	9.00			
Fiscal Year Ending June 30, 2025 (Forecast)			—	25.00	34.00

[Note] Revision to the dividend forecast announced most recently: None

Breakdown of dividends of fiscal year ended June 30, 2024: 16 yen common, 9 yen commemorative

**3. Consolidated Business Forecast : For the year ending June 30, 2025 (From July 1, 2024 to June 30, 2025)**

(Millions of yen, except per-share data)

	Net Sales	Change (%)	Operating Income	Change (%)	Ordinary Profit	Change (%)	Profit Attributable to Owners of Parent	Change (%)	Net Income per Share(Yen)
Year Ending June 30, 2025	2,220,000	6.0	155,000	10.6	150,800	1.4	90,000	1.5	150.74

[Note] Revision to the consolidated business forecast announced most recently: Yes

For the revision to the consolidated business forecasts, please refer to the “Notice Concerning Revisions to Full-Year Financial Results Forecasts (Consolidated)” disclosed today (February 13, 2025).

**4. Others**

(1) Significant changes in the scope of consolidation: None

Newly consolidated: — , Excluded: —

(2) Adoption of accounting treatment specific to the preparation of semi-annual consolidated financial statements: None

(3) Changes in accounting policies concerning preparation of consolidated financial statements

① Changes in line with revision to accounting standards: Yes

② Other changes: None

③ Changes in accounting estimates: None

④ Restatement: None

(4) Number of outstanding shares (Common shares)

Number of outstanding shares (Treasury shares included)	December 31, 2024	635,138,540 shares
	June 30, 2024	635,028,540 shares
Number of treasury shares	December 31, 2024	38,073,357 shares
	June 30, 2024	38,073,252 shares
Average number of outstanding shares during the period	December 31, 2024	597,005,875 shares
	December 31, 2023	596,670,859 shares

\*This financial summary is not subject to audit conducted by certified public accountants or an audit corporation.

\*\*The financial forecasts of business results are based on judgments and estimates that have been made using currently available information. By nature, such financial forecasts are subject to uncertainties and risks. Therefore, actual results might be significantly different from the aforementioned forecasts for a variety of reasons, including changes in economic environments related to our business, market trends and foreign currency exchange rates.

\*\*\*The Company plans to hold a financial result briefing for security analysts and institutional investors on February 13, 2025. Presentation materials for the briefing will be available on the Company’s website.

**Semi-Annual Consolidated Balance Sheets***(Millions of yen)*

	As of June 30, 2024	As of December 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	¥172,719	¥202,948
Notes and accounts receivable - trade	17,068	21,338
Accounts receivable - installment	57,333	65,253
Operating loans	9,613	9,363
Merchandise and finished goods	198,979	229,454
Prepaid expenses	8,695	9,524
Deposits paid	15,800	17,356
Other	36,452	39,059
Allowance for doubtful accounts	(3,227)	(5,198)
Total current assets	513,432	589,097
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	308,674	300,717
Tools, furniture and fixtures, net	37,971	35,769
Land	356,663	353,353
Construction in progress	4,197	7,772
Right-of-use assets, net	26,423	29,868
Other, net	1,534	1,609
Total property, plant and equipment	735,463	729,089
Intangible assets		
Goodwill	62,574	58,348
Other	32,074	36,050
Total intangible assets	94,647	94,398
Investments and other assets		
Investment securities	35,688	35,123
Long-term prepaid expenses	4,647	4,889
Retirement benefit asset	18,372	18,391
Deferred tax assets	25,609	23,286
Leasehold and guarantee deposits	68,737	68,056
Other	3,171	3,241
Allowance for doubtful accounts	(1,357)	(1,391)
Total investments and other assets	154,867	151,595
Total non-current assets	984,978	975,082
Total assets	¥1,498,410	¥1,564,179

**Semi-Annual Consolidated Balance Sheets***(Millions of yen)*

	As of June 30, 2024	As of December 31, 2024
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	¥197,151	¥246,086
Current portion of long-term borrowings	48,615	71,067
Current portion of bonds payable	650	650
Accounts payable - other	60,874	58,466
Lease liabilities	2,809	2,429
Accrued expenses	31,300	24,960
Deposits received	13,971	19,401
Income taxes payable	25,547	27,917
Provision for point card certificates	1,379	1,714
Contract liabilities	18,966	17,335
Other	17,958	14,950
Total current liabilities	419,220	484,974
Non-current liabilities		
Bonds payable	191,075	190,750
Long-term borrowings	224,657	184,881
Lease liabilities	32,897	36,948
Asset retirement obligations	31,395	31,562
Other	52,163	50,890
Total non-current liabilities	532,187	495,029
Total liabilities	951,407	980,004
Net assets		
Shareholders' equity		
Share capital	23,538	23,589
Capital surplus	17,659	17,710
Retained earnings	559,538	598,591
Treasury shares	(80,956)	(80,956)
Total shareholders' equity	519,778	558,933
Accumulated other comprehensive income		
Valuation difference on available-for-sale securities	2,126	1,740
Foreign currency translation adjustment	13,857	11,593
Remeasurements of defined benefit plans	733	679
Total accumulated other comprehensive income	16,716	14,012
Share acquisition rights	1,442	1,771
Non-controlling interests	9,066	9,459
Total net assets	547,003	584,175
Total liabilities and net assets	¥1,498,410	¥1,564,179

**Semi-Annual Consolidated Statements of Income***(Millions of yen)*

	Six Months Ended December 31, 2023	Six Months Ended December 31, 2024
Net sales	¥1,047,594	¥1,128,614
Cost of sales	716,603	764,699
Gross profit	330,991	363,914
Selling, general and administrative expenses	255,489	274,165
Operating income	75,501	89,749
Non-operating income		
Interest and dividend income	667	750
Share of profit of entities accounted for using equity method	367	443
Penalty income	902	390
Other	2,418	2,702
Total non-operating income	4,354	4,285
Non-operating expenses		
Interest expenses	3,822	3,219
Foreign exchange losses	1,601	3,514
Other	825	387
Total non-operating expenses	6,248	7,120
Ordinary profit	73,607	86,914
Extraordinary income		
Gain on sale of non-current assets	7	211
Reversal of provision for loss on store closings	-	769
Other	1	4
Total extraordinary income	8	984
Extraordinary losses		
Impairment losses	-	464
Loss on retirement of non-current assets	617	642
Loss on store closings	101	1,327
Loss on disaster	8	28
Other	5	38
Total extraordinary losses	732	2,500
Profit before income taxes	72,883	85,398
Income taxes - current	23,011	28,100
Income taxes - deferred	1,455	2,589
Total income taxes	24,466	30,689
Profit	48,417	54,709
Profit attributable to non-controlling interests	203	732
Profit attributable to owners of parent	¥48,214	¥53,977

**Semi-Annual Consolidated Statements of Comprehensive Income**

(Millions of yen)

	Six Months Ended December 31, 2023	Six Months Ended December 31, 2024
Profit	¥48,417	<b>¥54,709</b>
Other comprehensive income		
Valuation difference on available-for-sale securities	(710)	<b>(552)</b>
Foreign currency translation adjustment	10,293	<b>(2,337)</b>
Remeasurements of defined benefit plans, net of tax	(25)	<b>(37)</b>
Share of other comprehensive income of entities accounted for using equity method	21	<b>(27)</b>
Total other comprehensive income	9,579	<b>(2,952)</b>
Comprehensive income	¥57,996	<b>¥51,757</b>
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	¥57,772	<b>¥51,273</b>
Comprehensive income attributable to non-controlling interests	224	<b>484</b>

**Semi-Annual Consolidated Statements of Cash Flows***(Millions of yen)*

	Six Months Ended December 31, 2023	Six Months Ended December 31, 2024
<b>Cash flows from operating activities</b>		
Profit before income taxes	¥72,883	¥85,398
Depreciation	22,180	24,011
Increase (decrease) in provisions	(105)	1,217
Interest and dividend income	(667)	(750)
Interest expenses on borrowings and bonds	3,822	3,219
Foreign exchange losses	1,601	3,390
Share of profit of entities accounted for using equity method	(367)	(443)
Loss on sale and retirement of non-current assets	610	452
Loss on store closings	101	1,327
Increase in trade receivables	(6,069)	(4,273)
Increase in inventories	(10,100)	(31,376)
Increase in trade payables	54,541	49,864
Increase in accounts receivable - installment	(6,346)	(8,035)
Increase in accounts payable - other	6,142	1,897
Increase in deposits received	8,797	5,441
Other, net	(15,772)	(13,052)
Subtotal	131,253	118,289
Interest and dividends received	535	630
Interest paid	(3,931)	(3,412)
Income taxes paid	(29,054)	(26,040)
Income taxes refund	3,284	3,383
Payments associated with disaster loss	(13)	(275)
Dividends received from entities accounted for using equity method	73	73
Net cash provided by operating activities	102,147	92,648
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(40,137)	(19,287)
Proceeds from sale of property, plant and equipment	50	3,135
Purchase of intangible assets	(3,801)	(5,800)
Payments of leasehold and guarantee deposits	(342)	(750)
Proceeds from refund of leasehold and guarantee deposits	1,158	637
Payment for store opening in progress	(692)	(244)
Other, net	(34)	(17)
Net cash used in investing activities	¥ (43,798)	¥ (22,326)
<b>Cash flows from financing activities</b>		
Proceeds from long-term borrowings	¥10,000	¥40,000
Repayments of long-term borrowings	(28,182)	(57,147)
Proceeds from issuance of bonds	69,789	-
Redemption of bonds	(140,605)	(325)

**Semi-Annual Consolidated Statements of Cash Flows**

(Millions of yen)

	Six Months Ended December 31, 2023	Six Months Ended December 31, 2024
Dividends paid	(9,545)	<b>(14,924)</b>
Other, net	(722)	<b>(765)</b>
Net cash used in financing activities	(99,266)	<b>(33,161)</b>
Effect of exchange rate change on cash and cash equivalents	2,151	<b>(5,610)</b>
Net increase (decrease) in cash and cash equivalents	(38,765)	<b>31,551</b>
Cash and cash equivalents at beginning of period	246,195	<b>187,199</b>
Cash and cash equivalents at end of period	¥207,430	<b>¥218,750</b>



## Segment Information

### Information concerning sales and income by reporting segment

For the six months ended December, 2023

(Millions of yen)

	Reportable segments				Reconciling items	Per semi-annual consolidated financial statements
	Japan Business	North America Business	Asia Business	Reportable segments		
Sales						
Revenues from external customers	¥886,407	¥121,117	¥40,069	¥1,047,594	¥—	¥1,047,594
Transactions with other segments	5,763	—	39	5,802	(5,802)	—
Net sales	892,170	121,117	40,108	1,053,396	(5,802)	1,047,594
Operating income	¥73,166	¥2,143	¥193	¥75,501	¥—	¥75,501

[Note] Segment income is adjusted to the semi-annual consolidated operating income.

### Information concerning sales and income by reporting segment

For the six months ended December, 2024

(Millions of yen)

	Reportable segments				Reconciling items	Per semi-annual consolidated financial statements
	Japan Business	North America Business	Asia Business	Reportable segments		
Sales						
Revenues from external customers	¥954,889	¥130,260	¥43,465	¥1,128,614	¥—	¥1,128,614
Transactions with other segments	7,001	—	80	7,081	(7,081)	—
Net sales	961,890	130,260	43,546	1,135,695	(7,081)	1,128,614
Operating income	¥87,002	¥2,332	¥415	¥89,749	¥—	¥89,749

[Note] Segment income is adjusted to the semi-annual consolidated operating income.