



First Quarter Financial Results for the Fiscal Ending March 31, 2023 Supplementary Materials

August 5, 2022
AOKI Holdings Inc.



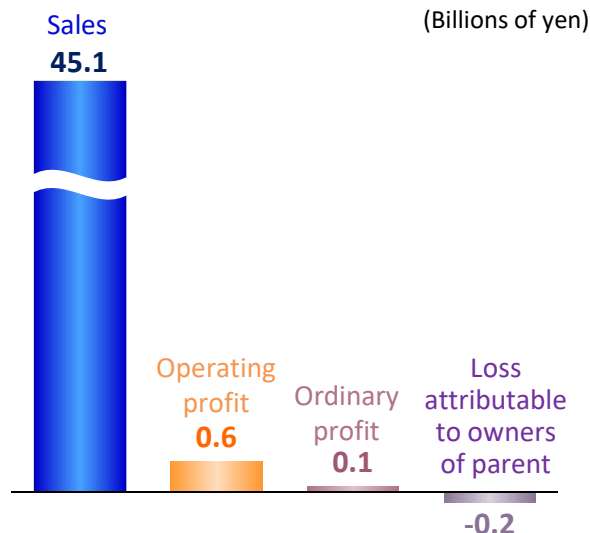
ANNIVERSAIRE



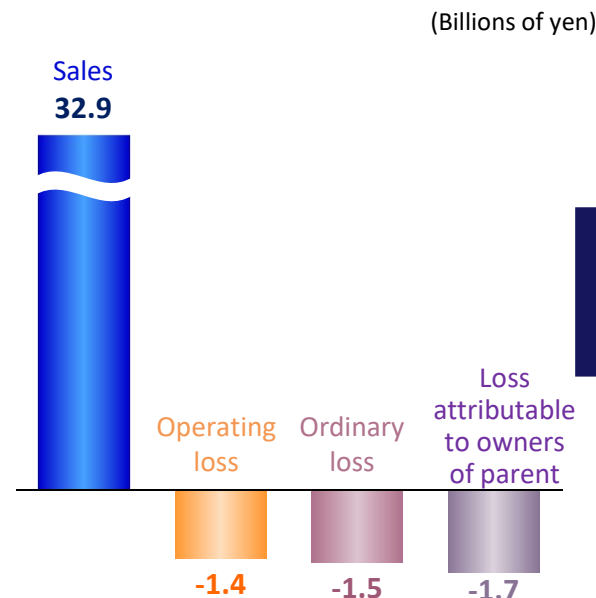
First Quarter of FY3/23 Results

**Sales and earnings increased as the impact of the COVID-19 pandemic declined,
Profitable for the first time in three years**(sales up 19.2%, operating profit improvement of ¥3 billion)

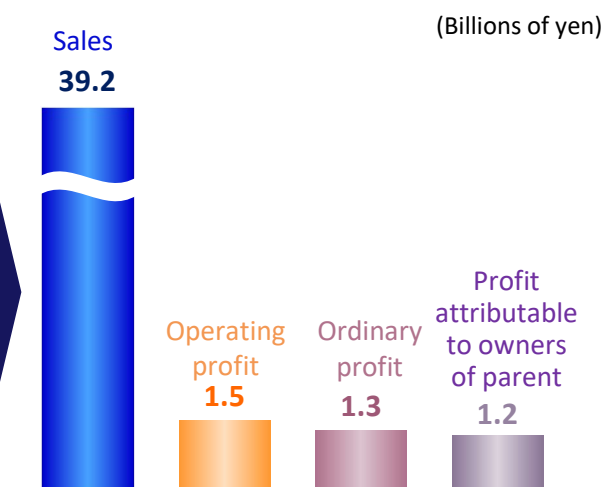
※Reference FY3/19 1Q(Before the pandemic)



FY3/22 1Q



FY3/23 1Q



*Figures for FY3/19 1Q have not been retrospectively adjusted for revenue recognition accounting standards.

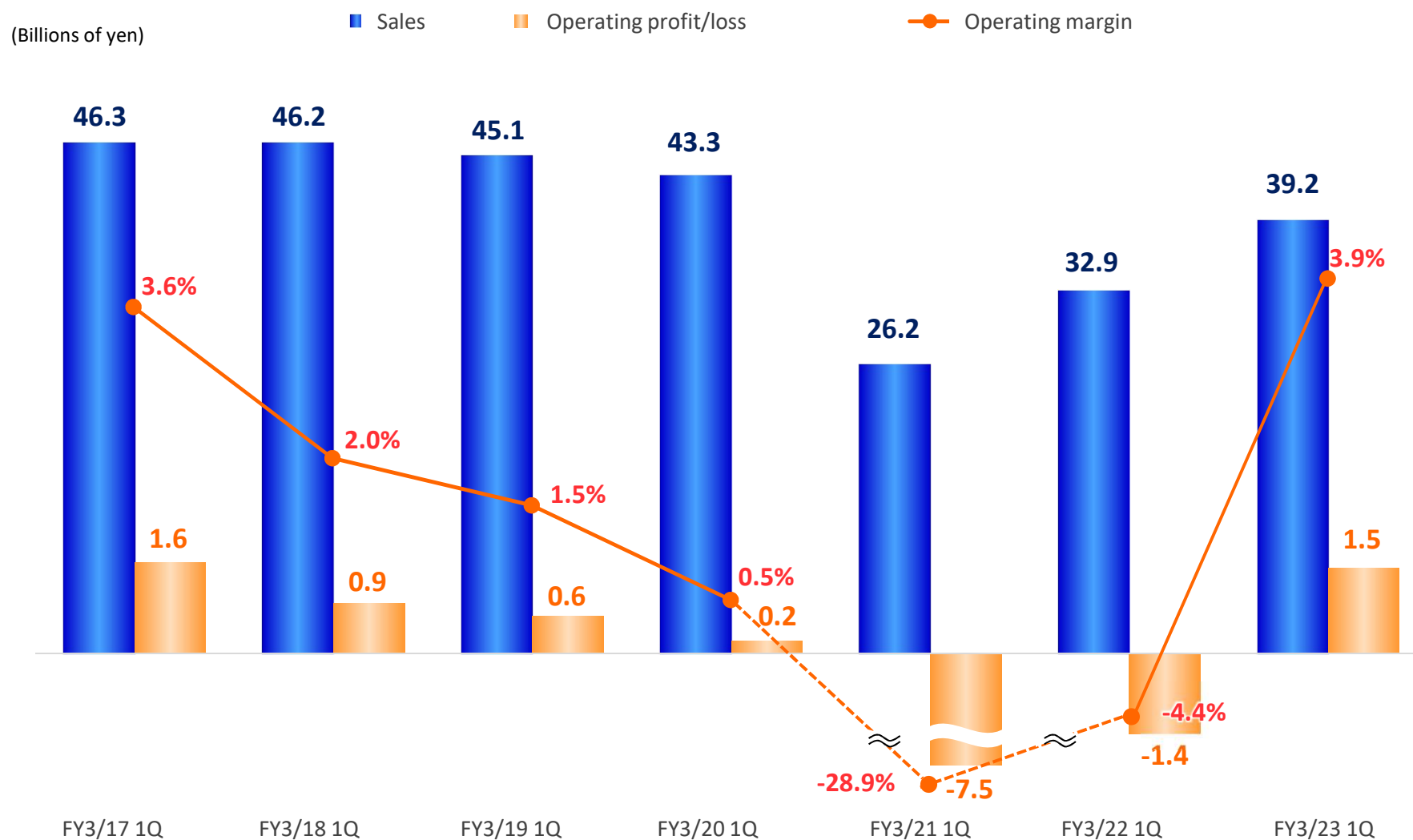
Business climate

- There was no declaration of a state of emergency or application of priority measures to prevent the spread of the virus.
- Even as the spread of COVID-19 is trending downward, the outlook is for social and economic activity to return to normal and customer spending to recover
- Rising raw material prices, yen's depreciation

AOKI Group

- Demand for products and services in each business increased as economic activity to return to normal
- Continue to provide products and services that match new life styles
- The AOKI Group opened 17 stores and closed 14 stores for conversions to different formats or to improve operating efficiency

Consolidated earnings trends for the first quarter from the FY3/17, to the FY3/23



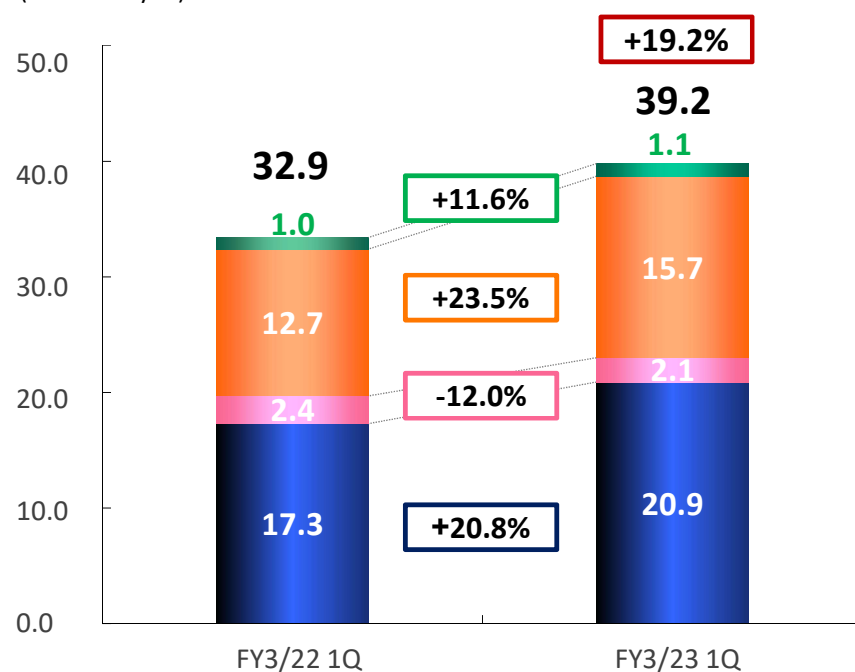
Figures for FY3/17 1Q, FY3/18 1Q, FY3/19 1Q, FY3/20 1Q and FY3/21 1Q have not been retrospectively adjusted for revenue recognition accounting standards

First Quarter of FY3/23 Results by Segment

Fashion	Sales and earnings increased because of the strong sales of the suits and formal wear and the COVID-19 pandemic declined
Anniversaire and Bridal	Sales and earnings decreased because of decrease in number of facilities
Entertainment	Sales and earnings increased because of new stores were opened and the impact of the pandemic decreased

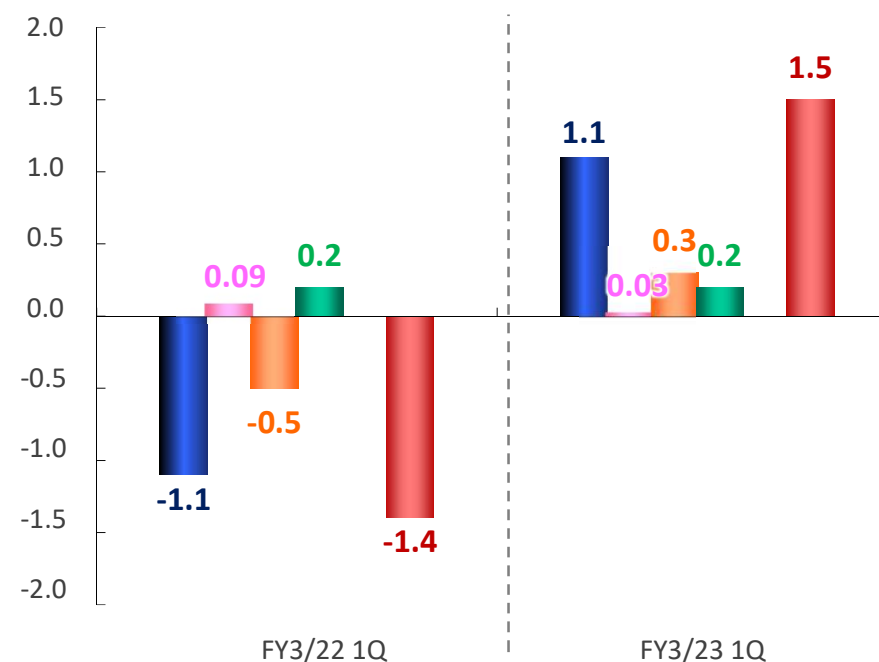
Sales

(Billions of yen)



Operating profit/loss

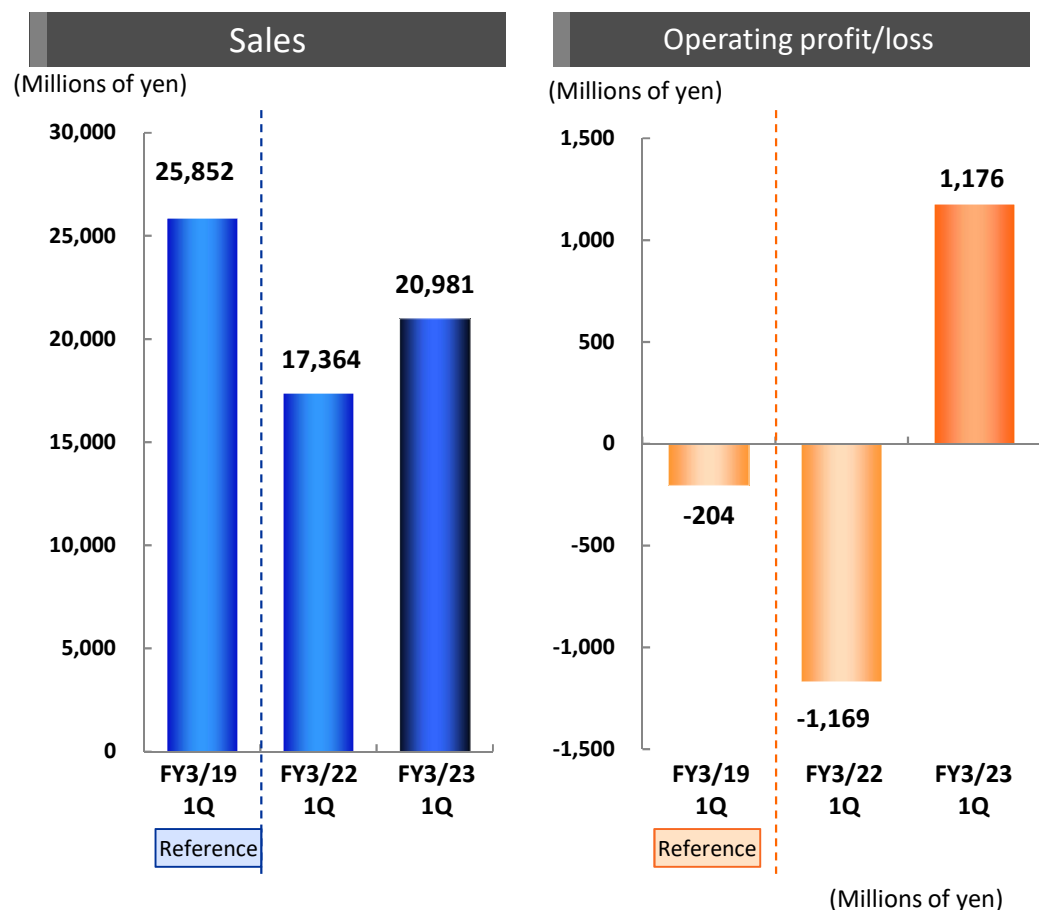
(Billions of yen)



■ Fashion ■ Anniversaire/Bridal ■ Entertainment ■ Real Estate Leasing ■ Consolidated Total

Fashion Business: First Quarter of FY3/23 Review of Operations

Sales and profit increased due to strong sales of suits, formal wear, women's wear, etc. and higher sales at existing stores. Achieved profitability for the first time in five years



	FY3/23 1Q		
		YoY %	% to sales
Sales	20,981	120.8	100.0
Gross profit	12,305	126.2	58.6
SG&A expenses	11,128	101.9	53.0
Operating profit	1,176	—	5.6

Sales: up 20.8% YoY

Operating profit/loss: improved by ¥2,345 million YoY

Major components

◆ Existing-store sales: up 23.1% YoY

- Due to the social and economic activity to return to normal and the increase in ceremonial occasions, suits, formal wear, ladies' wear, and others performed well
- Strong sales of casual wear such as Pajama Suits®, Pajama shoes, and others

◆ Number of stores closed for 5 days or more (including Saturdays and Sundays) of FY3/22 1Q

- April : 26stores, May : 33stores, June : 18stores

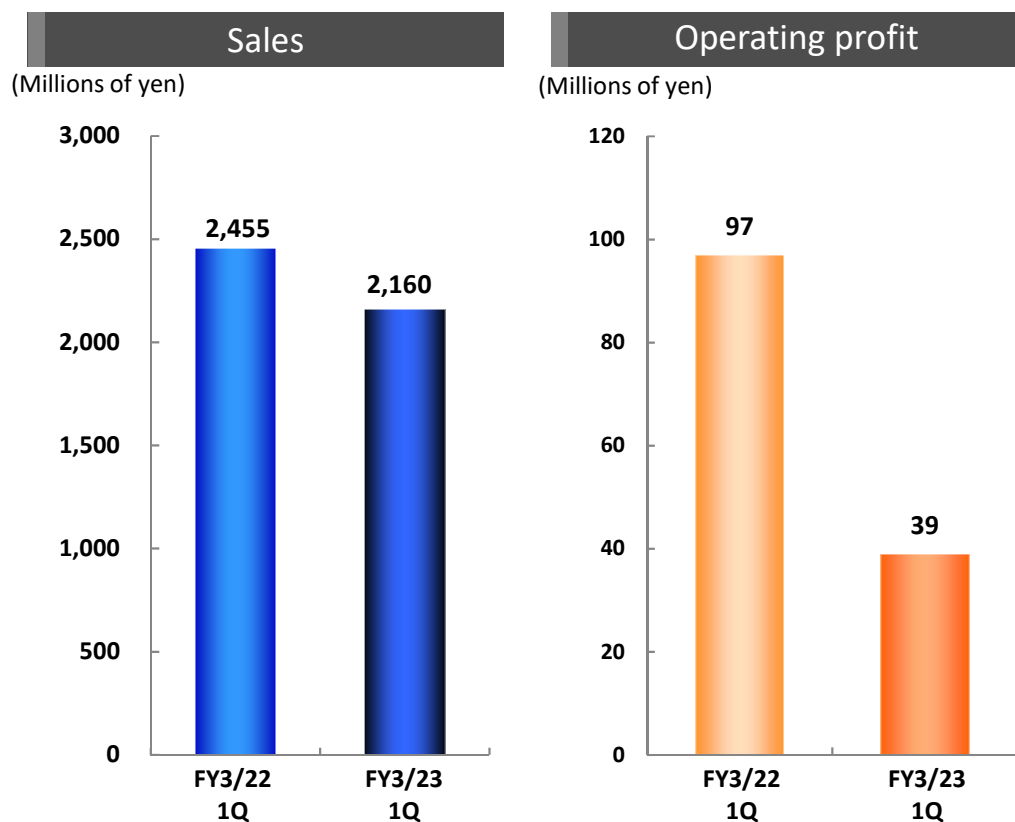
◆ Gross profit margin: up 2.4pt YoY

- Higher unit prices of suits : up 6.7% YoY
- Strong sales of heavy clothing with a high gross profit rate, such as suits and formal wear

◆ SG&A expenses: up 1.9% YoY

- Increase in expenses according to sales
- Lower than forecast because of continued to implement cost controls

Sales and profit decreased because of decrease in number of facilities



(Millions of yen)

	FY3/23 1Q		
		YoY %	% to sales
Sales	2,160	88.0	100.0
Gross profit	635	98.4	29.4
SG&A expenses	595	108.6	27.6
Operating profit	39	41.1	1.8

■ Sales: down 12.0% YoY

■ Operating profit: down 58.9% YoY

Major components

◆ Decrease in number of two facilities

- Closing of ANNIVERSAIRE TOKYO BAY (September 5, 2021)
- Closing of ANNIVERSAIRE KOBE (November 30, 2021)

◆ Number of weddings of chapel wedding at existing locations : down 47 YoY

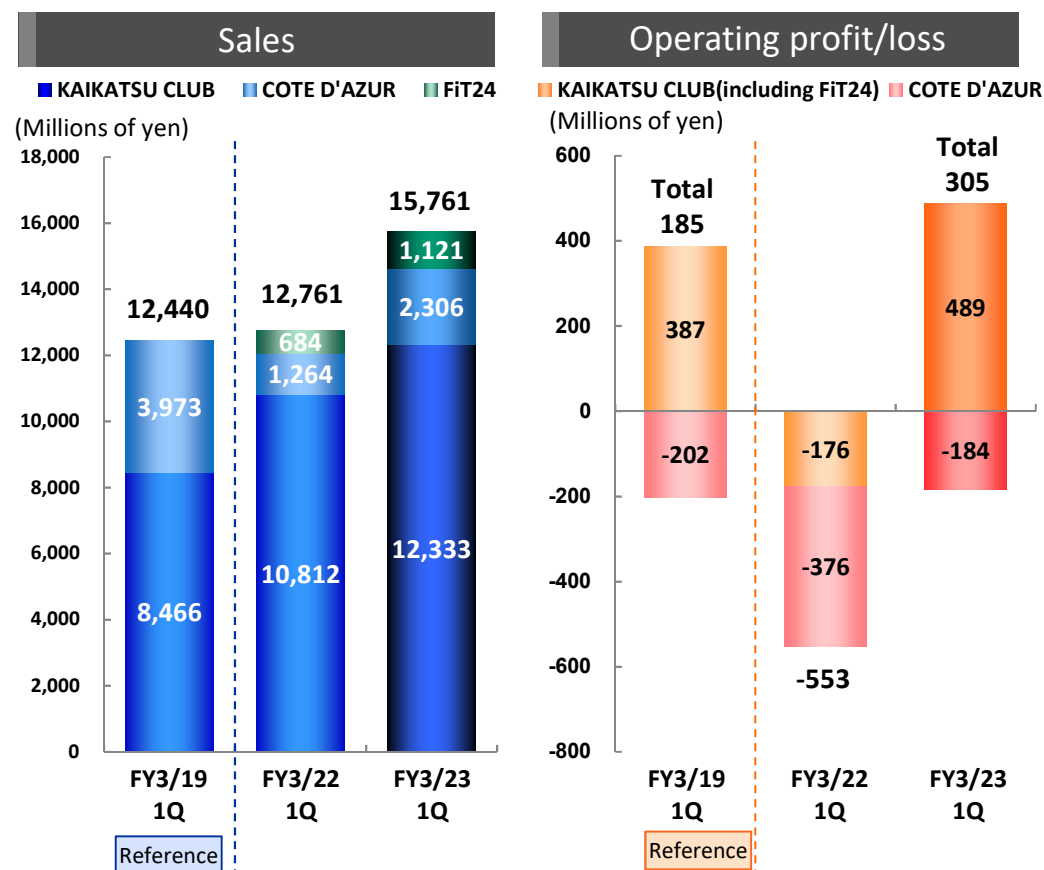
◆ Number of weddings of family and photo wedding at existing locations : up 179 YoY

◆ SG&A expenses: up 8.6% YoY

- Increase in advertising expenses to strengthening to attract customers
- Lower than forecast because of continued to implement cost controls

Entertainment Business: First Quarter of FY3/23 Review of Operations

Sales and profit increased due to increased sales at existing stores and contributions from new store openings. Achieved profitability for the first time in three years



	FY3/23 1Q		
		YoY %	% to sales
Sales	15,761	123.5	100.0
Gross profit	1,814	242.5	11.5
SG&A expenses	1,508	115.9	9.6
Operating profit	305	—	1.9

Sales: up 23.5% YoY

Operating profit/loss: improved by ¥858 million YoY

Major components

◆ Number of stores closed for 5 days or more (including Saturdays and Sundays) of FY3/22 1Q

● April : 33stores, May : 42stores, June : 41stores

◆ Existing-store sales: up 13.6% YoY

● Number of customers increased because of smaller impact of the pandemic

● Number of customers increased because of increased needs for business use

◆ New facilities/cafés

● KAIKATSU CLUB: 4 locations

● FIT24: 13 locations

◆ SG&A expenses: up 15.9% YoY

● Increase in expenses according to sales

● Lower than forecast because of continued to implement cost controls

Consolidated Profit and Loss

Figures for the First Quarter of FY3/19 have not been retrospectively adjusted for revenue recognition accounting standards

(Millions of yen)

Account/Period	First Quarter of FY3/19*	First Quarter of FY3/22	First Quarter of FY3/23	Change	YoY %	Major Components
Sales	45,113	32,905	39,227	6,322	119.2	Sales increased in fashion business and entertainment business without temporary closure
Gross profit Gross profit margin	18,386 40.8%	11,316 34.4%	14,888 38.0%	3,572 +3.6pt	131.6	Increase due to improved gross profit margin. Increase in gross profit margin by 2.4pt in the Fashion Business and 5.6pt in the Entertainment Business
Selling, general and administrative expenses	17,713	12,774	13,341	567	104.4	Expenses increased due to higher sales, but SG&A ratio down by 4.8pt through cost controls
Operating profit(loss) Operating margin	673 1.5%	-1,457 —	1,547 3.9%	3,004 —	—	
Non-operating profit	102	71	91	20	128.2	
Non-operating expenses	610	196	248	51	126.1	
Ordinary profit(loss)	165	-1,583	1,390	2,973	—	
Extraordinary gains	7	337	230	-106	68.3	Decreases in subsidies for employment adjustment
Extraordinary losses	643	873	131	-741	15.0	Decreases in loss due to temporary closure and impairment loss
Profit(loss) attributable to owners of parent	-296	-1,738	1,255	2,994	—	

*First Quarter of FY3/19 : Before the pandemic

◆ Depreciation: ¥2,285 million (including lease assets of ¥496 million)

◆ YoY existing-store sales: 23.1% for Fashion, 13.6% for Entertainment (10.0% for KAKATSU CLUB, 53.6% for COTE D'AZUR)

Number of Stores Opened/Closed

(Number of stores)

Business Segment	Stores/Facilities	First Quarter of FY3/22			First Quarter of FY3/23		
		Opened	Closed	Number of Stores	Opened	Closed	Number of Stores
Fashion	AOKI	—	3	510	—	4	500
	ORIHICA	1	3	114	—	2	104
Anniversaire and Bridal	ANNIVERSAIRE	—	—	12	—	—	10
Entertainment	KAIKATSU CLUB	3	6	493	4	3	505
	COTE D'AZUR	—	3	114	—	5	108
	FiT24	14	—	60	13	—	104
Total		18	15	1,303	17	14	1,331

(Millions of yen)

Capital Expenditures	Stores/Facilities	First Quarter of FY3/22	First Quarter of FY3/23	YoY %
Fashion	AOKI, ORIHICA	199	131	66.1
Anniversaire and Bridal	ANNIVERSAIRE	1	13	—
Entertainment	KAIKATSU CLUB	803	831	103.4
	COTE D'AZUR	6	34	528.7
	FiT24	1,363	747	54.9
Consolidated Total		2,477	1,925	77.7

(Millions of yen)

Depreciation	First Quarter of FY3/22	First Quarter of FY3/23	YoY %
Consolidated Total	2,312	2,285	98.8

Reference:First Quarter of FY3/23 Consolidated Business Results

Figures for the First Quarter of FY3/19 have not been retrospectively adjusted for revenue recognition accounting standards

(Millions of yen)

	First Quarter of FY3/19*	%	First Quarter of FY3/22	%	First Quarter of FY3/23	%	YoY change	YoY %
Sales	45,113	100.0	32,905	100.0	39,227	100.0	6,322	119.2
Fashion	25,852	100.0	17,364	100.0	20,981	100.0	3,616	120.8
Anniversaire/Bridal	6,553	100.0	2,455	100.0	2,160	100.0	-294	88.0
Entertainment	12,440	100.0	12,761	100.0	15,761	100.0	2,999	123.5
KAIKATSU CLUB	8,466	100.0	10,812	100.0	12,333	100.0	1,521	114.1
COTE D'AZUR	3,973	100.0	1,264	100.0	2,306	100.0	1,041	182.3
FIT24			684	100.0	1,121	100.0	436	163.8
Real Estate Leasing	766	100.0	1,053	100.0	1,176	100.0	122	111.6
Gross profit	18,386	40.8	11,316	34.4	14,888	38.0	3,572	131.6
Fashion	15,098	58.4	9,753	56.2	12,305	58.6	2,551	126.2
Anniversaire/Bridal	1,806	27.6	645	26.3	635	29.4	-10	98.4
Entertainment	1,351	10.9	747	5.9	1,814	11.5	1,066	242.5
KAIKATSU CLUB (including FIT24)	1,091	12.9	943	8.2	1,775	13.2	832	188.2
COTE D'AZUR	259	6.5	-195	—	38	1.7	234	—
Real Estate Leasing	176	23.0	248	23.6	201	17.2	-46	81.3
SG&A expenses	17,713	39.3	12,774	38.8	13,341	34.0	567	104.4
Fashion	15,302	59.2	10,922	62.9	11,128	53.0	205	101.9
Anniversaire/Bridal	1,389	21.2	548	22.3	595	27.6	46	108.6
Entertainment	1,165	9.4	1,301	10.2	1,508	9.6	207	115.9
KAIKATSU CLUB (including FIT24)	703	8.3	1,120	9.7	1,285	9.6	165	114.8
COTE D'AZUR	462	11.6	181	14.3	223	9.7	41	123.0
Operating profit (loss)	673	1.5	-1,457	—	1,547	3.9	3,004	—
Fashion	-204	—	-1,169	—	1,176	5.6	2,345	—
Anniversaire/Bridal	417	6.4	97	4.0	39	1.8	-57	41.1
Entertainment	185	1.5	-553	—	305	1.9	858	—
KAIKATSU CLUB (including FIT24)	387	4.6	-176	—	489	3.6	666	—
COTE D'AZUR	-202	—	-376	—	-184	—	192	—
Real Estate Leasing	176	23.0	248	23.6	201	17.2	-46	81.3

*First Quarter of FY3/19 : Before the pandemic

Reference: First Quarter of FY3/23 Major Expenses

SG&A expenses

(Millions of yen)

	First Quarter of FY3/22					First Quarter of FY3/23									
	Total	Fashion	Anniversaire/ Bridal	Entertainment		Total		Fashion		Anniversaire/ Bridal		Entertainment			
				KAIKATSU CLUB	COTE D'AZUR							KAIKATSU CLUB		COTE D'AZUR	
						YoY %	YoY %	YoY %	YoY %	YoY %	YoY %				
Advertising expenses	1,569	1,309	86	99	50	1,639	104.5	1,333	101.8	126	146.8	123	123.7	29	57.1
Personnel expenses	5,047	3,871	167	482	54	5,318	105.4	3,936	101.7	170	101.9	502	104.0	84	154.9
Rents	2,774	2,883	9	17	1	2,841	102.4	2,939	101.9	9	102.6	17	98.0	2	139.1
Depreciation	718	546	15	22	6	658	91.6	472	86.5	12	85.0	21	97.7	7	117.2

Notes: 1. The sum of the business segment items does not match the total because the total includes expenses of AOKI Holdings Inc. and inter-segment eliminations.
2. KAIKATSU CLUB includes FIT24.

Major expenses included in cost of sales

(Millions of yen)

	First Quarter of FY3/22				First Quarter of FY3/23							
	Anniversaire/ Bridal	Entertainment		Real Estate Leasing	Anniversaire/Bridal		Entertainment				Real Estate Leasing	
		KAIKATSU CLUB	COTE D'AZUR				KAIKATSU CLUB		COTE D'AZUR			
						YoY %		YoY %		YoY %		YoY %
Personnel expenses	707	3,216	434	—	590	83.5	3,592	111.7	722	166.3	—	—
Rents	425	2,535	409	646	342	80.6	2,720	107.3	639	156.2	799	123.6
Depreciation	208	1,144	117	96	185	89.0	1,220	106.7	154	132.0	109	114.0

Notes: 1. The ANNIVERSAIRE/Bridal, Entertainment, and Real Estate Leasing Businesses include the above-stated expenses in cost of sales, in addition to the SG&A expenses in the upper table.
2. KAIKATSU CLUB includes FIT24.

Reference: First Quarter of FY3/23 Fashion Business Performance

(1) Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

		Apr.	May	Jun.	1Q Result	1Q Forecast	2Q Forecast	First half Forecast	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23	21.1	25.6	22.9	23.1	10.8	4.3	8.0	4.2	-1.1	0.9	3.3
	Vs FY3/19*	-11.3	-11.1	-8.0	-10.2	-19.1	-21.9	-20.3	-10.8	-6.6	-8.3	-13.0
	FY3/22	35.5	3.0	-21.7	-0.8		-10.5	-5.5	7.0	12.6	10.4	4.6
Number of customers	FY3/23	18.0	18.7	8.7	14.7	9.7	3.4	6.9	3.1	-1.6	0.7	3.2
	FY3/22	34.4	-12.4	-23.1	-8.9		-23.5	-16.3	7.0	9.9	8.4	-3.1
Sales per customer	FY3/23	2.6	5.8	13.0	7.4	1.0	0.9	1.0	1.0	0.5	0.2	0.0
	FY3/22	0.9	17.5	1.8	8.9		17.0	12.9	0.0	2.5	1.8	7.9

*FY3/19 : Before the pandemic

(2) Number of units sold and unit prices of suits

		1Q	YoY %	First half	YoY %	Second half	YoY %	Full year	YoY %
Number of units sold (in thousands)	FY3/23	171	110.5						
	FY3/22	155	90.6	260	91.6	635	102.4	894	99.0
Unit price (thousands of yen)	FY3/23	25.5	106.7						
	FY3/22	23.9	121.3	23.6	111.3	23.7	100.4	23.7	103.9

Reference: First Quarter of FY3/23 Fashion Business Performance

(3) Sales by category

(Millions of yen)

	First Quarter of FY3/19*	%	First Quarter of FY3/22	%	First Quarter of FY3/23	%	YoY change	YoY %
Heavy clothing	9,571	37.0	5,718	32.9	7,124	34.0	1,405	124.6
Medium clothing	3,105	12.0	1,963	11.3	2,141	10.2	178	109.1
Light clothing	8,208	31.8	5,686	32.7	6,953	33.1	1,266	122.3
Ladies' clothing	4,097	15.8	3,238	18.7	3,978	19.0	739	122.8
Other	870	3.4	756	4.4	782	3.7	26	103.4
Total	25,852	100.0	17,364	100.0	20,981	100.0	3,616	120.8

Definition: Heavy clothing: Suits, formal wear, coats
Medium clothing: Jackets, slacks

Light clothing: Shirts, ties, casual wear, clothing accessories, etc.
Other: Alteration, etc.

*First Quarter of FY3/19 : Before the pandemic

Reference: First Quarter of FY3/23 Anniversaire and Bridal Business Performance

YoY change in the number of weddings and sales per couple at existing locations

		First Quarter (Result)	YoY %	First Half (Forecast)	YoY %	Second Half (Forecast)	YoY %	Full year (Forecast)	YoY %
Number of weddings	FY3/23	671	93.5	1,305	104.7	1,493	147.5	2,798	123.9
	FY3/22	718	—	1,247	500.8	1,012	93.9	2,259	170.2
	Vs FY3/19*		65.7		66.4		72.8		69.7
	FY3/19	1,022		1,966		2,051		4,017	
Average sales per couple (thousands of yen)	FY3/23	3,720	107.4	3,703	105.4	3,816	101.7	3,763	104.0
	FY3/22	3,462	119.6	3,512	102.2	3,753	109.8	3,620	105.8
	Vs FY3/19*		91.3		91.5		94.0		92.8
	FY3/19	4,074		4,047		4,061		4,054	

Notes: 1. Existing locations : 10 facilities

2. Not include family weddings and photo weddings

3. Average sales per couple are wedding sales per couple and do not include cancellation fee. The revenue recognition accounting standard not applied.

*FY3/19 : Before the pandemic

Reference: First Quarter of FY3/23 Entertainment Business Performance

(1) Entertainment Business:

Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

		Apr.	May	Jun.	1Q Result	1Q Forecast	2Q Forecast	First half Forecast	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23	9.3	16.4	15.1	13.6	14.0	7.8	10.7	0.9	11.8	6.2	8.4
	Vs FY3/19*	-7.7	-2.8	-8.3	-6.1	-7.2	-13.5	-10.6	-15.0	-10.7	-12.8	-11.7
	FY3/22	27.5	35.6	6.3	20.7		9.3	14.0	13.7	6.7	10.2	11.9
Number of customers	FY3/23	7.0	13.6	12.5	11.1	14.9	8.4	11.5	1.6	11.5	6.6	9.0
	FY3/22	36.8	34.1	9.0	23.1		7.6	13.8	6.4	5.0	5.7	9.3
Sales per customer	FY3/23	2.8	3.5	3.5	3.3	-0.8	-0.6	-0.7	-0.8	0.3	-0.3	-0.5
	FY3/22	-6.8	1.1	-2.5	-1.9		1.6	0.1	6.9	1.6	4.3	2.4

Note : Number of customers and sales per customer do not include FiT24 fitness facilities which is monthly membership fee business

*FY3/19 : Before the pandemic

Reference: First Quarter of FY3/23 Entertainment Business Performance

(2) KAIKATSU CLUB:

Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

		Apr.	May	Jun.	1Q Result	1Q Forecast	2Q Forecast	First half Forecast	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23	6.7	12.1	11.0	10.0	10.1	5.7	7.8	1.7	5.8	3.8	5.8
	Vs FY3/19*	-4.8	-1.3	-5.9	-3.8	-3.9	-10.3	-7.4	-9.7	-7.6	-8.6	-8.0
	FY3/22	23.6	35.8	12.1	23.2		11.1	16.0	11.2	5.6	8.3	11.9
Number of customers	FY3/23	5.6	11.5	10.7	9.3	11.1	6.4	8.6	2.0	5.8	3.9	6.3
	FY3/22	32.9	34.0	12.0	24.2		8.2	14.6	5.0	5.1	5.0	9.5
Sales per customer	FY3/23	1.7	1.5	1.3	1.5	-0.9	-0.6	-0.7	-0.3	0.0	-0.1	-0.4
	FY3/22	-7.0	1.3	0.1	-0.8		2.7	1.2	5.9	0.5	3.1	2.2

Notes : 1.Sales include FiT24 sales

2. Number of customers and sales per customer do not include FiT24 fitness facilities which is monthly membership fee business

*FY3/19 : Before the pandemic

Reference: First Quarter of FY3/23 Entertainment Business Performance

(1) COTE D'AZUR:

Change in existing-store sales, number of customers and sales per customer at existing stores

(%)

		Apr.	May	Jun.	1Q Result	1Q Forecast	2Q Forecast	First half Forecast	3Q Forecast	4Q Forecast	Second half Forecast	Full year Forecast
Sales	FY3/23	32.9	68.1	64.7	53.6	53.8	41.3	48.6	-3.1	55.8	19.7	28.4
	Vs FY3/19*	-22.4	-11.4	-19.3	-17.7	-16.2	-22.2	-19.4	-26.9	-18.8	-23.0	-21.3
	FY3/22	115.2	30.6	-29.4	-5.6		-10.6	-8.5	24.4	14.2	20.5	11.8
Number of customers	FY3/23	21.7	39.4	33.0	31.0	58.3	44.2	52.3	-1.0	59.5	25.8	35.0
	FY3/22	125.8	37.1	-13.1	9.6		-0.7	3.5	14.5	3.8	9.7	7.9
Sales per customer	FY3/23	9.2	20.5	23.9	17.2	-2.8	-2.0	-2.5	-2.1	-2.4	-4.9	-4.9
	FY3/22	-4.7	-4.8	-18.8	-13.8		-10.0	-11.6	8.7	10.0	9.8	3.6

*FY3/19 : Before the pandemic