November 5, 2024

Company Name: St.Cousair Co., Ltd.
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(ticker code: 2937 Market: Growth)
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To Our Valued Shareholders:

# Notice Regarding Revision of Full-Year Consolidated Earnings Forecast

Based on recent performance trends and other factors, we have decided to revise our full-year consolidated earnings forecast for FY 2025, previously announced on May 7, 2024, as detailed below.

1. Revision of Full-Year Consolidated Earnings Forecast for FY 2025

| | Net Sales | Operating Profit | Ordinary Profit | Net Income Attributable to Parent Company Shareholders | Net Income per Share |
|---|---|---|---|---|---|
| Previously Announced Forecast (A) | (million yen) 20,913 | (million yen) 1,342 | (million yen) 1,329 | (million yen) 864 | yen sen 92. 13 |
| Current Revised Forecast (B) | 19,240 | 611 | 582 | 158 | 17. 11 |
| Increase/Decrease (B-A) | △1, 673 | △731 | △747 | △706 | − |
| Increase/Decrease Rate | △8. 0% | △54. 4% | △56. 2% | △81. 7% | − |
| (Reference) Previous Fiscal Year Results (FY 2024) | 19, 162 | 1, 289 | 1, 401 | 818 | 89. 42 |

2. Reasons for this Revision

Regarding the full-year consolidated earnings forecast for FY 2025, while sales in each channel—Direct Sales, Franchises, E-Commerce, and Global—are progressing largely as expected, the Wholesale business is anticipated to fall below the previous forecast. This is due to factors such as poor sales performance and delays in the timing of certain product sales with major retail chain clients.

On the profit side, along with a decline in operating and ordinary profits due to the reduced sales, an impairment loss of 115,253 thousand yen related to the closure of the MeKEL Nagano Wakasato store is being recorded. As a result, net income attributable to shareholders of the parent company is also expected to fall below the previously announced forecast.

***Note:*** *The above consolidated earnings forecast is based on information currently available to the company and on certain assumptions deemed reasonable. Actual results may vary significantly due to various factors.*