

May 9, 2025

Tsukada Global Holdings Inc.
Consolidated Earnings Report for the Three Months Ended March 31, 2025
(Japanese GAAP)

Stock listing: Tokyo Stock Exchange

Securities code: 2418

URL: <https://www.tsukada-global.holdings/en/>

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Dividend payout: -

Supplementary materials to financial results available: No

Earnings presentation held: No

(Amounts rounded down to the nearest million yen)

1. Consolidated Performance for the Three Months Ended March 31, 2025
(January 1, 2025 – March 31, 2025)

(1) Consolidated Operating Results (Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent	
	million yen	%	million yen	%	million yen	%	million yen	%
Three months ended March 31, 2025	15,842	18.0	1,301	74.1	532	(60.3)	275	(72.4)
Three months ended March 31, 2024	13,428	9.6	747	-	1,342	-	1,000	-

Note: Comprehensive income: Three months ended March 31, 2025: (360) million yen (- %)
Three months ended March 31, 2024: 1,183 million yen (- %)

	Profit per share	Diluted profit per share
	yen	yen
Three months ended March 31, 2025	5.80	-
Three months ended March 31, 2024	20.98	-

(2) Consolidated Financial Position

	Total assets	Net assets	Equity ratio
	million yen	million yen	%
March 31, 2025	109,979	33,216	28.7
December 31, 2024	111,711	34,030	28.9

Reference: Total equity: March 31, 2025: 31,549 million yen
December 31, 2024: 32,232 million yen

2. Dividends

	Dividend per share				
	End-Q1	End-Q2	End-Q3	Year-end	Annual total
	yen	yen	yen	yen	yen
Year ended December 31, 2024	-	5.00	-	6.00	11.00
Year ending December 31, 2025	-				
Year ending December 31, 2025 (Forecast)		6.00	-	6.00	12.00

Note: No revision has been made to the latest dividends forecast.

3. Earnings Forecast for the Fiscal Year Ending December 31, 2025 (January 1, 2025 – December 31, 2025)

(Percentages indicate year-on-year changes)

	Net sales		Operating income		Ordinary income		Profit attributable to owners of the parent		Profit per share
	million yen	%	million yen	%	million yen	%	million yen	%	yen
Six months ending June 30, 2025	33,778	18.3	3,086	32.4	2,527	(23.2)	1,596	(47.4)	33.47
Year ending December 31, 2025	70,954	11.7	8,800	18.8	7,869	1.9	5,268	2.3	110.45

Note: No revision has been made to the latest earnings forecast.

*Notes

- (1) Significant changes in the scope of consolidation during the period: None
Newly Consolidated: None Newly Deconsolidated: None
- (2) Use of accounting methods specific to the preparation of quarterly consolidated financial statements: Yes
Note: For details, please refer to “(3) Notes on Quarterly Consolidated Financial Statements (Application of Specific Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements)” in section “2. Quarterly Consolidated Financial Statements and Main Notes” on page 8 in the accompanying materials.
- (3) Changes in accounting policy, changes in accounting estimates, and retrospective restatement
 - 1) Changes in accordance with amendments to accounting standards, etc.: Yes
 - 2) Changes other than noted in 1) above: None
 - 3) Changes in accounting estimates: None
 - 4) Retrospective restatement: None

(4) Shares issued (common stock)

	March 31, 2025	December 31, 2024
1) Number of shares issued at end of period (including treasury stock)	48,960,000	48,960,000
2) Number of shares held in treasury at end of period	1,556,534	1,259,834
	Three months ended March 31, 2025	Three Months ended March 31, 2024
3) Average number of shares outstanding during the period	47,527,133	47,700,166

* Review of the accompanying quarterly consolidated financial statements by a certified public accountant or an auditing firm: None

* Appropriate Use of Earnings Forecast and Other Important Information

(Cautionary Statement with Respect to Forward-Looking Statements)

Any forecasts and forward-looking statements given herein are based on information available as of this report's publication and on certain assumptions that are deemed reasonable. These forecasts are not guarantees of future performance, and actual results may differ from forecasts due to changes in the business environment. For the assumptions underlying the forecasts herein and other notice on the use of earnings forecasts, please refer to “(3) Earnings Forecast for the Fiscal Year Ending December 31, 2025” in the section “1. Review of Consolidated Financial Results” on page 3 in the accompanying materials.

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1. Review of Consolidated Financial Results

(1) Operating Results

Operating Results and Analysis of Financial Condition

In the three months ended March 31, 2025, the Japanese economy continued to show a moderate recovery trend, with improvements in corporate earnings, firm capital investment, and consumer sentiment showing signs of recovery due to improvements in the employment and income situation. However, the outlook remains uncertain because of heightened downside risks to the economy due to the impact of U.S. trade policy and other factors, the highly volatile foreign exchange market, and other concerns.

Amidst this environment, the Tsukada Global Holdings Group (“the Group”) focused on creating new value, developing high-quality and attractive outlets, providing high value-added services in the bridal, hotel, and wellness and relaxation (W&R) markets, and on accurately responding to diversifying customer needs, and thereby strived to expand net sales and to improve profitability.

In the Hotel business, the cumulative number of foreign visitors to Japan for 2025 in the quarter through March reached record-high 10 million (up 23.1% from the same quarter of the previous year: Japan National Tourism Organization “2025 Visitor Arrivals & Japanese Overseas Travelers (Preliminary figures in March 2025)”), remaining at a high level. As a result, domestic luxury hotels, including “Hotel InterContinental Tokyo Bay” (Minato-ku, Tokyo), remained stable on the whole. As for “Kaimana Beach Hotel” (Hawaii, U.S.) and “Kimpton Palladian Hotel” (Washington, U.S.), which the Company acquired last year, the Company worked to improve profitability through further cost control. In addition, the Company focused on preparation for the opening of “ANA Holiday Inn Tokyo Bay” (Shinagawa-ku, Tokyo), which will be our fifth facility in Japan.

In the Wedding businesses, the number of orders received was solid at 3,485 (up 12.3% from the same period of the previous fiscal year), and the spend per wedding, which had been lagging behind, continued to recover moderately. However, due to a lag in the recovery in the number of Japanese traveling overseas in association with the high volatility of the yen/dollar exchange rate, some overseas wedding services continue to face challenging conditions. Moreover, in the W&R business, the closing of unprofitable outlets last year helped stabilize earnings and enabled us to realize a profitable business.

As a result, in the first three months of fiscal 2025, the Group posted consolidated net sales of ¥15,842 million (up 18.0% year on year). The operating income was ¥1,301 million (up 74.1% year on year), and the ordinary income was ¥532 million (down 60.3% year on year) due to foreign exchange losses of ¥560 million recorded in non-operating expenses, which was caused by rapid currency fluctuations. Profit attributable to owners of the parent was ¥275 million (down 72.4% year on year).

The results for each business segment were as follows.

1) Wedding business

In the first three months of fiscal 2025, the number of weddings held slightly increased to 2,028 (up 5.7% year on year), and the spend per wedding moderately recovered. As a result, net sales in the Wedding business increased. In terms of profitability, the recovery in spend per wedding absorbed the rise in energy costs and raw material prices, including purchase and outsourcing costs, resulting in an increase.

As a result, net sales in the Wedding business totaled ¥8,410 million (up 13.0% year on year) and segment income was ¥980 million (up 83.5% year on year).

2) Hotel business

In the first three months of fiscal 2025, the number of hotel weddings held slightly fell to 374 (down 5.3% year on year), but the overnight occupancy rate and average charge per night remained stable due to the impact of record-high numbers of international visitors to Japan.

As a result, net sales in the Hotel business totaled ¥6,695 million (up 27.5% year on year) and segment income was ¥782 million (up 15.6% year on year).

3) W&R business

In the first three months of fiscal 2025, the number of visitors and food and beverage sales of the “Beauty & Relax SPA-HERBS” spa complex reached record highs, which compensated for the decrease in sales of the British-style “Queensway” reflexology salons where the closure of unprofitable outlets was promoted last year. Thanks to this, both net sales and segment income were higher than the previous fiscal year.

As a result, net sales in the W&R business totaled ¥736 million (up 0.2% year on year) and segment income was ¥54 million (up 224.4% year on year).

(2) Analysis of Financial Condition

Assets, Liabilities, and Net Assets

Total assets as of March 31, 2025, the end of the first three months of fiscal 2025, amounted to ¥109,979 million, a decrease of ¥1,732 million from the end of the previous fiscal year (December 31, 2024). This was mainly due to a decrease in buildings and structures of ¥938 million and in land of ¥557 million as a result of exchange rate fluctuations and depreciation.

Total liabilities as of March 31, 2025 came to ¥76,763 million, a decrease of ¥917 million from the end of the previous fiscal year (December 31, 2024). This was mainly due to a decrease of ¥903 million in income taxes payable resulting from tax payment and a decrease of ¥392 million in long-term debt (including the current portion) resulting from repayment.

Total net assets as of March 31, 2025 amounted to ¥33,216 million, a decrease of ¥814 million from the end of the previous fiscal year (December 31, 2024). This was mainly due to a decrease of ¥666 million in foreign currency translation adjustments resulting from currency fluctuations and an increase of ¥167 million in treasury stock as a result of the purchase of treasury stock based on a resolution of the Board of Directors. As a result, the equity ratio was 28.7%, a decrease of 0.2 percentage points from the end of the previous fiscal year (December 31, 2024).

(3) Earnings Forecast for the Fiscal Year Ending December 31, 2025

There are no changes to the consolidated results forecast for the first six months and full year of the fiscal year ending December 31, 2025 disclosed in the “Consolidated Earnings Report for the Fiscal Year Ended December 31, 2024 (Japanese GAAP)” dated February 12, 2025.

Actual results may differ significantly depending on various factors going forward. The Company will promptly announce any revisions to these forecasts if such revisions becomes necessary.

2. Quarterly Consolidated Financial Statements and Main Notes

(1) Consolidated Balance Sheets

	December 31, 2024	(millions of yen) December 31, 2025
	Amount	Amount
Assets		
Current assets		
Cash and deposits	21,182	21,026
Accounts receivable - trade	2,040	1,721
Merchandise	181	179
Raw materials and supplies	483	440
Other	2,454	2,392
Allowance for doubtful receivables	(27)	(45)
Total current assets	26,315	25,715
Fixed assets		
Tangible assets		
Buildings and structures, net	33,790	32,852
Land	29,036	28,479
Construction in progress	622	1,068
Other, net	2,142	2,256
Total tangible assets	65,592	64,655
Intangible assets		
Goodwill	789	723
Other	658	680
Total intangible assets	1,448	1,403
Investments and other assets		
Investment securities	4,673	4,291
Investments in affiliated companies	1,188	1,262
Lease and guarantee deposits	6,898	6,896
Other	5,603	5,760
Allowance for doubtful receivables	(141)	(134)
Total investments and other assets	18,221	18,075
Total fixed assets	85,262	84,134
Deferred assets	133	129
Total assets	111,711	109,979

	December 31, 2024	(millions of yen) March 31, 2025
	Amount	Amount
Liabilities		
Current liabilities		
Accounts payable - trade	2,498	2,456
Current portion of long-term debt	8,513	10,863
Current portion of bonds	694	694
Income taxes payable	1,105	201
Advances received	3,616	4,259
Other	4,448	4,296
Total current liabilities	20,877	22,771
Fixed liabilities		
Bonds	4,014	3,884
Long-term debt	46,183	43,440
Net defined benefit liability	441	445
Provision for directors' retirement benefits	1,053	1,064
Asset retirement obligations	4,578	4,641
Other	531	514
Total fixed liabilities	56,803	53,991
Total liabilities	77,680	76,763
Net assets		
Shareholders' equity		
Capital stock	472	472
Capital surplus	634	634
Retained earnings	31,064	31,053
Treasury stock	(892)	(1,060)
Total shareholders' equity	31,277	31,099
Accumulated other comprehensive income		
Deferred gain (loss) on derivatives under hedge accounting	305	467
Foreign currency translation adjustments	648	(18)
Remeasurements of defined benefit plans	0	0
Total accumulated other comprehensive income	954	449
Non-controlling interests	1,798	1,666
Total net assets	34,030	33,216
Total liabilities and net assets	111,711	109,979

(2) Consolidated Statements of Income and Comprehensive Income

Consolidated Statements of Income

	(millions of yen)	
	Three months ended March 31, 2024	Three months ended March 31, 2025
	Amount	Amount
Net sales	13,428	15,842
Cost of sales	8,448	9,668
Gross profit (loss)	4,980	6,173
Selling, general and administrative expenses	4,232	4,872
Operating income	747	1,301
Non-operating income		
Interest income	61	29
Gain on investments in silent partnership	74	74
Foreign exchange gains	612	-
Other	41	177
Total non-operating income	790	281
Non-operating expenses		
Interest expenses	138	258
Share of loss of entities accounted for using equity method	33	-
Foreign exchange loss	-	560
Other	23	232
Total non-operating expenses	195	1,050
Ordinary income	1,342	532
Extraordinary income		
Gain on sales of fixed assets	0	-
Total extraordinary income	0	-
Extraordinary loss		
Loss on disposal of fixed assets	0	1
Shop closing expenses	6	-
Provision for loss on store closings	4	89
Other	20	-
Total extraordinary loss	33	91
Profit (loss) before income taxes	1,308	440
Income taxes	306	202
Profit (loss)	1,001	238
Profit (loss) attributable to non-controlling interests	1	(37)
Profit attributable to owners of the parent	1,000	275

Consolidated Statements of Comprehensive Income

	(millions of yen)	
	Three months ended March 31, 2024	Three months ended March 31, 2025
	Amount	Amount
Profit (loss)	1,001	238
Other comprehensive income		
Deferred gain (loss) on derivatives under hedge accounting	19	161
Foreign currency translation adjustments	50	(760)
Remeasurements of defined benefit plans	0	(0)
Share of other comprehensive income of entities accounted for using equity method	111	-
Total other comprehensive income	181	(598)
Comprehensive income	1,183	(360)
(Breakdown)		
Comprehensive income attributable to owners of the parent	1,166	(229)
Comprehensive income attributable to non-controlling interests	16	(131)

(3) Notes on Quarterly Consolidated Financial Statements

(Note on the Going-concern Assumption)

Not applicable

(Note on Significant Changes in the Amount of Shareholders' Equity)

Not applicable

(Application of Specific Accounting Methods for the Preparation of Quarterly Consolidated Financial Statements)

(Simplified accounting methods)

1) Calculation method for depreciation of fixed assets

Depreciation expenses for assets to which the declining-balance method is applied are calculated by allocating a quarterly proportion of the amount for the full fiscal year.

2) Calculation method for deferred tax assets and deferred tax liabilities

Regarding judgments on the amount of recoverable deferred tax assets, the Company has determined that there have been no significant changes in the economic environment or emergence of temporary differences since the end of the previous fiscal year, and therefore the calculations are based on future earnings forecasts from the previous fiscal year and tax planning methods.

(Special accounting treatments)

Calculation of taxes

The Company calculates tax liabilities by producing a reasonable estimate of the effective tax rate after applying tax-effect accounting to profit (loss) before income taxes for the fiscal year, which encompasses the first quarter ended March 31, 2025, and then multiplying profit (loss) before income taxes by this estimated effective tax rate. In cases where this estimated effective tax rate cannot be used, the statutory effective tax rate is used.

(Changes in Accounting Policies)

(Application of "Accounting Standard for Current Income Taxes")

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter, "Revised Accounting Standard 2022") has been applied since the beginning of the first quarter of the consolidated fiscal year under review.

Revisions concerning the categories in which current income taxes should be recorded (taxes on other comprehensive income) are subject to the transitional treatment set forth in the proviso of paragraph 20-3 of the Revised Accounting Standard 2022 and the transitional treatment set forth in the proviso of paragraph 65-2 (2) of the Guidance on Accounting Standard for Tax Effect Accounting (ASBJ Guidance No. 28, October 28, 2022; hereinafter, "Revised Guidance 2022"). The change in accounting policies had no impact on the quarterly consolidated financial statements.

With regard to revisions related to reviews of the accounting treatment for consolidated financial statements when gains/losses on sale of shares, etc. in subsidiaries and the like resulting from transactions between consolidated companies are deferred for tax purposes, the Company has applied the Revised Guidance 2022 from the beginning of the first quarter of the consolidated fiscal year under review. The change in accounting policies was applied retrospectively to the consolidated financial statements for the first quarter of the previous fiscal year and the entire previous fiscal year. The change in the accounting policies had no impact on the consolidated financial statements for the first quarter of the previous fiscal year or the entire previous fiscal year.

(Notes on Consolidated Statements of Cash Flows)

Quarterly consolidated statements of cash flows have not been prepared for the three months ended March 31, 2025. Depreciation and amortization (including amortization of intangible assets excluding goodwill) and amortization of goodwill for the three months ended March 31, 2025 are as follows.

	Three months ended March 31, 2024	Three months ended March 31, 2025
Depreciation and amortization	825 million yen	865 million yen
Amortization of goodwill	54	66

(Notes to Segment Information, etc.)

[Segment Information]

I Three months ended March 31, 2024 (January 1 to March 31, 2024)

1. Net sales and income/loss by reportable segment and information on disaggregation of revenue

(millions of yen)

	Reportable segment				Adjustments (note 1)	Amount recorded on consolidated statements of income (note 2)
	Wedding business	Hotel business	W&R business	Total		
Net sales						
Revenue from contracts with customers	7,427	5,251	735	13,413	-	13,413
Other revenue	14	-	-	14	-	14
Sales to outside customers	7,442	5,251	735	13,428	-	13,428
Inter-segment sales and transfers	487	229	2	719	(719)	-
Total	7,929	5,480	737	14,147	(719)	13,428
Segment income	534	676	16	1,227	(480)	747

Notes: 1. The minus 480 million yen adjustment for the segment income includes a 5 million yen elimination of inter-segment sales and minus 485 million yen in corporate expenses that are not allocated to each reportable segment. The main component of these unallocated corporate expenses is general and administrative expenses that are not attributable to reportable segments.

2. Segment income is adjusted to correspond with operating income reported on the quarterly consolidated statements of income.

2. Impairment loss on fixed assets or goodwill by reportable segment
Not applicable

II Three months ended March 31, 2025 (January 1 to March 31, 2025)

1. Net sales and income/loss by reportable segment and information on disaggregation of revenue

(millions of yen)

	Reportable segment				Adjustments (note 1)	Amount recorded on consolidated statements (note 2)
	Wedding business	Hotel business	W&R business	Total		
Net sales						
Revenue from contracts with customers	8,384	6,695	736	15,817	-	15,817
Other revenue	25	-	-	25	-	25
Sales to outside customers	8,410	6,695	736	15,842	-	15,842
Inter-segment sales and transfers	274	217	2	493	(493)	-
Total	8,684	6,912	738	16,336	(493)	15,842
Segment income	980	782	54	1,817	(515)	1,301

Notes: 1. The minus 515 million yen adjustment for the segment income includes a 12 million yen elimination of inter-segment sales and minus 528 million yen in corporate expenses that are not allocated to each reportable segment. The main component of these unallocated corporate expenses is general and administrative expenses that are not attributable to reportable segments.

2. Segment income is adjusted to correspond with operating income reported on the quarterly consolidated statements of income.

2. Impairment loss on fixed assets or goodwill by reportable segment

Not applicable

(Revenue Recognition)

Information on the disaggregation of revenue from contracts with customers is as stated in “(Notes to Segment Information, etc.)” in “Notes on Quarterly Consolidated Financial Statements.”

3. Supplementary Information

(Weddings Held and Orders Received)

(1) Number of weddings held

	Three months ended March 31, 2024	Three months ended March 31, 2025	Year ended December 31, 2024
Segment	Number of weddings held (cases)	Number of weddings held (cases)	Number of weddings held (cases)
Wedding business	1,918	2,028	9,404
Hotel business	395	374	1,641
Total	2,313	2,402	11,045

(2) Wedding orders received

	Three months ended March 31, 2024		Three months ended March 31, 2025		Year ended December 31, 2024	
Segment	Orders received (cases)	Order backlog (cases)	Orders received (cases)	Order backlog (cases)	Orders received (cases)	Order backlog (cases)
Wedding business	3,104	6,717	3,485	7,631	10,047	6,174
Hotel business	528	1,244	605	1,415	1,714	1,184
Total	3,632	7,961	4,090	9,046	11,761	7,358