



FY 4/2023 (ending April 2023)
Q2 Financial Results

November 30, 2022

RACCOON HOLDINGS, Inc. Code: 3031 TSE Prime Market

FY 4/2023 Q2 Results

- Following FY 4/2023 Q1, continued steady growth in net sales (+12.5% YoY) and operating income (+20.4% YoY) were seen.
- Net sales by segment continued to show double-digit growth both in the EC business (+10.1% YoY) and the Financial business (+16.3% YoY). Segment profit continued to grow by over 20% with the EC business (+23.0% YoY) and the Financial business (+20.3% YoY).

Super Delivery in the EC business

Domestic

GMV in Japan showed sluggish growth in August, affected by the rapid spread of COVID-19 infections during its seventh wave and a decline in consumer willingness to spend due to soaring prices. From September onward, the relaxation of restrictions on the entry of foreigners and the start of a national travel subsidy program boosted economic activities, resulting in growth of domestic GMV to 8,451 million yen (+13.8% YoY).

Overseas

GMV in the U.S., a key region, grew significantly due to the positive impact of a point and coupon system, in addition to favorable effects from soaring crude oil prices settling down and the weakening of the yen. The number of buying customers in Taiwan and Hong Kong, where GMV accounts for a large portion, declined due to the impact of COVID-19, etc. While GMV growth rate in Taiwan and Hong Kong continued to slow, the share of GMV in the U.S. expanded 5.8% to 8.5%. Overseas GMV increased to 3,233 million yen (+14.7% YoY).

Financial business

Paid

Steady increase in the number of member companies continued. Transaction volume grew by 22.6% year on year and net sales continued to increase by 23.6% year on year, a growth rate in excess of 20%, due to favorable effects from the recovery of domestic economy and the digital transformation (DX) for billing operations.

URIHO

Steady increase in the number of member companies continued. Guarantee balance is also steadily accumulating. Net sales continued to show double-digit growth at +16.3% year on year.

Rent guarantee

Guarantee balance remained strong. Net sales continued to show steady growth at a 6.8% increase year on year.

Credit control is functioning well and cost of sales remains lower than pre-pandemic levels.

- Advertising and sales promotion expenses* increased by 23.9% year on year and personnel expenses increased by 11.5% year on year in both the EC business and Financial business due to strategic investment; however, operating income continued to increase by 20.4% year on year, a growth rate in excess of 20%, and operating margin also grew by 23.5%, up 1.6pts year on year due to steady increase in net sales.

*Sales promotion expenses refer mainly to costs for a point and coupon system in the EC business.

- The Company recorded an impairment loss, etc. of 36 million yen associated with a review of the overseas localization strategy for “Super Delivery” in the EC business as an extraordinary loss.

Continued double-digit growth in net sales and operating income Extraordinary losses already factored into earnings forecasts

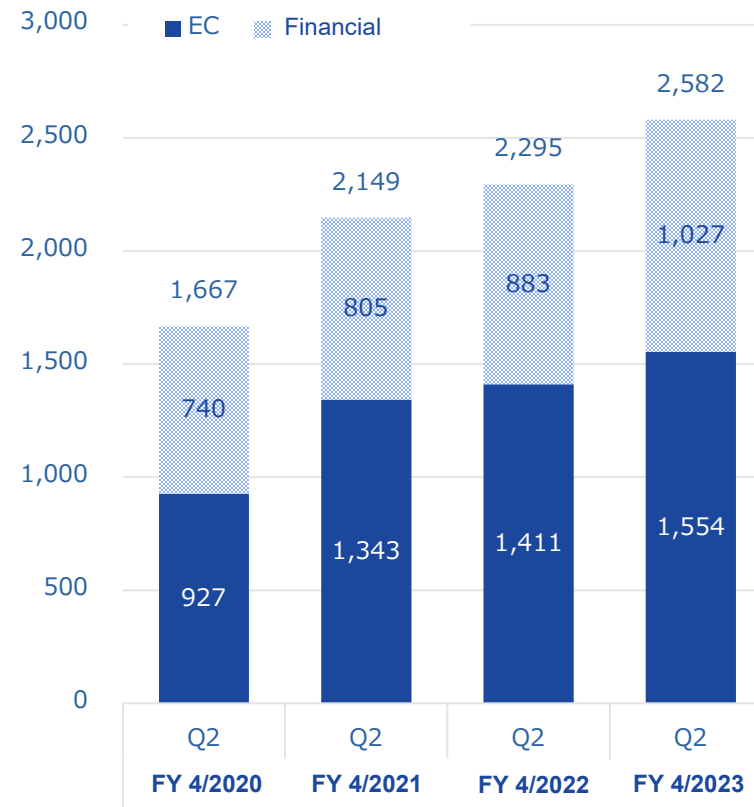
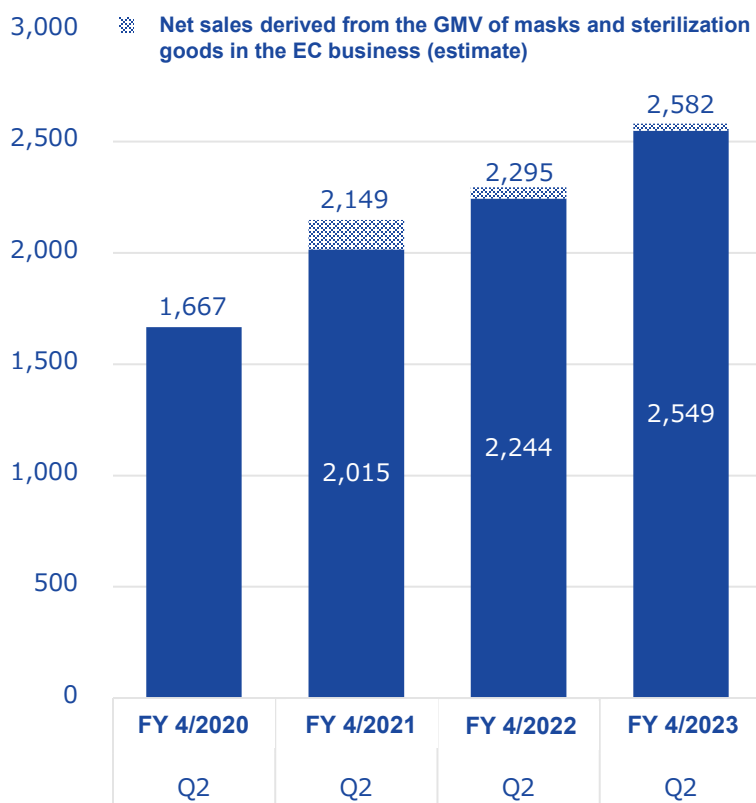
(Unit: Million Yen)

	FY 4/2023 Q2	FY 4/2022 Q2	YoY	Earnings forecasts
Net sales	2,582	2,295	12.5%	5,500
Operating income	607	504	20.4%	1,300
Operating margin	23.5%	22.0%	1.6pt	23.6%
Ordinary income	629	495	27.0%	1,300
Net income attributable to owners of parent	383	-2	—	810
Net sales of the EC business	1,554	1,411	10.1%	
Segment profit of the EC business	638	519	23.0%	
Net sales of the Financial business	1,027	883	16.3%	
Segment profit of the Financial business	264	220	20.3%	

Net Sales Analysis

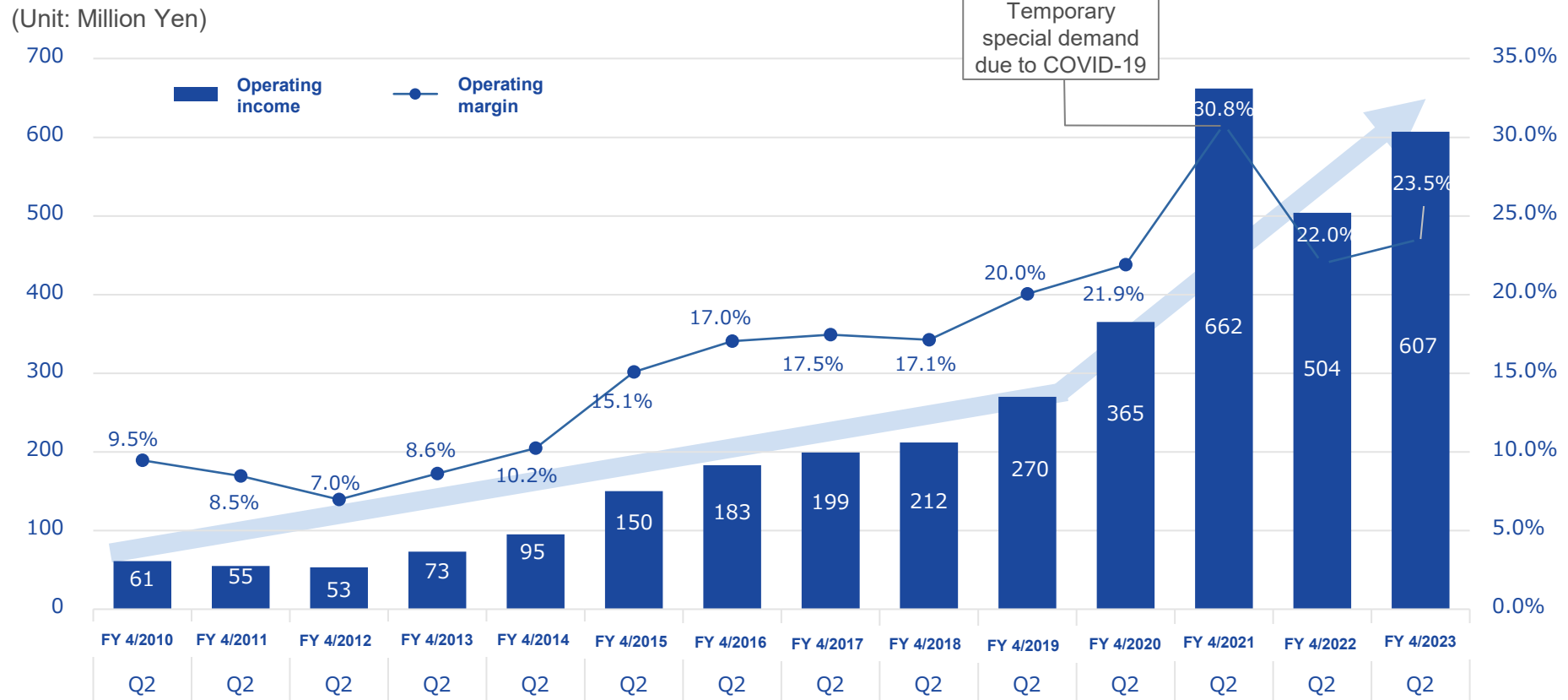
Growth of net sales increased from +5.0% to +10.1% year on year in the EC business and from +9.7% to +16.3% year on year in the Financial business
 Growth rate increased both in the EC business and Financial business

(Unit: Million Yen)



Operating Income Analysis (1)

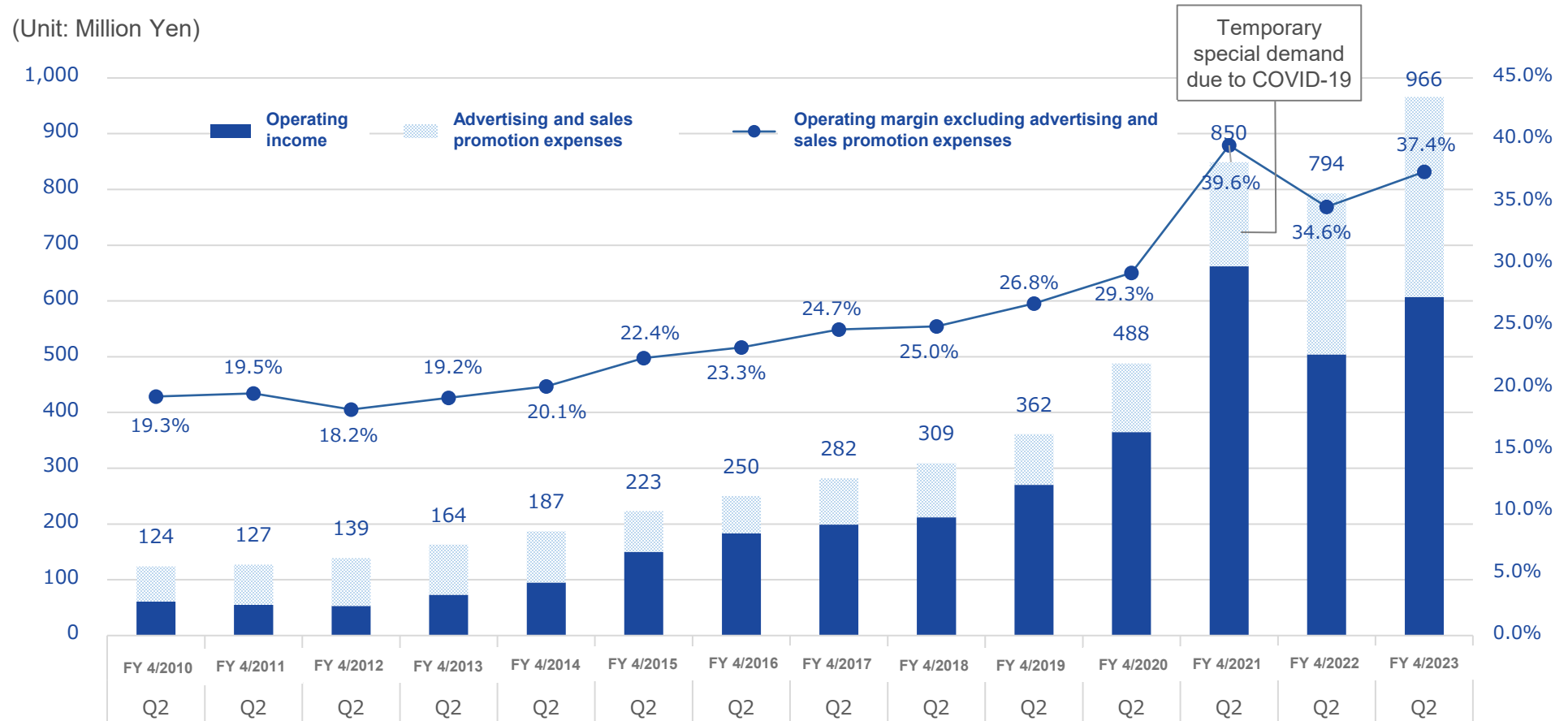
While advertising and sales promotion expenses and personnel expenses increased strategically, operating income increased by 20.4% year on year and operating margin increased by 1.6pts year on year



((((Reference) Changes in Operating Advertising and Sales Promotion Expenses rating Income Exclu

Operating income excluding advertising and sales promotion expenses increased by 21.7% year on year

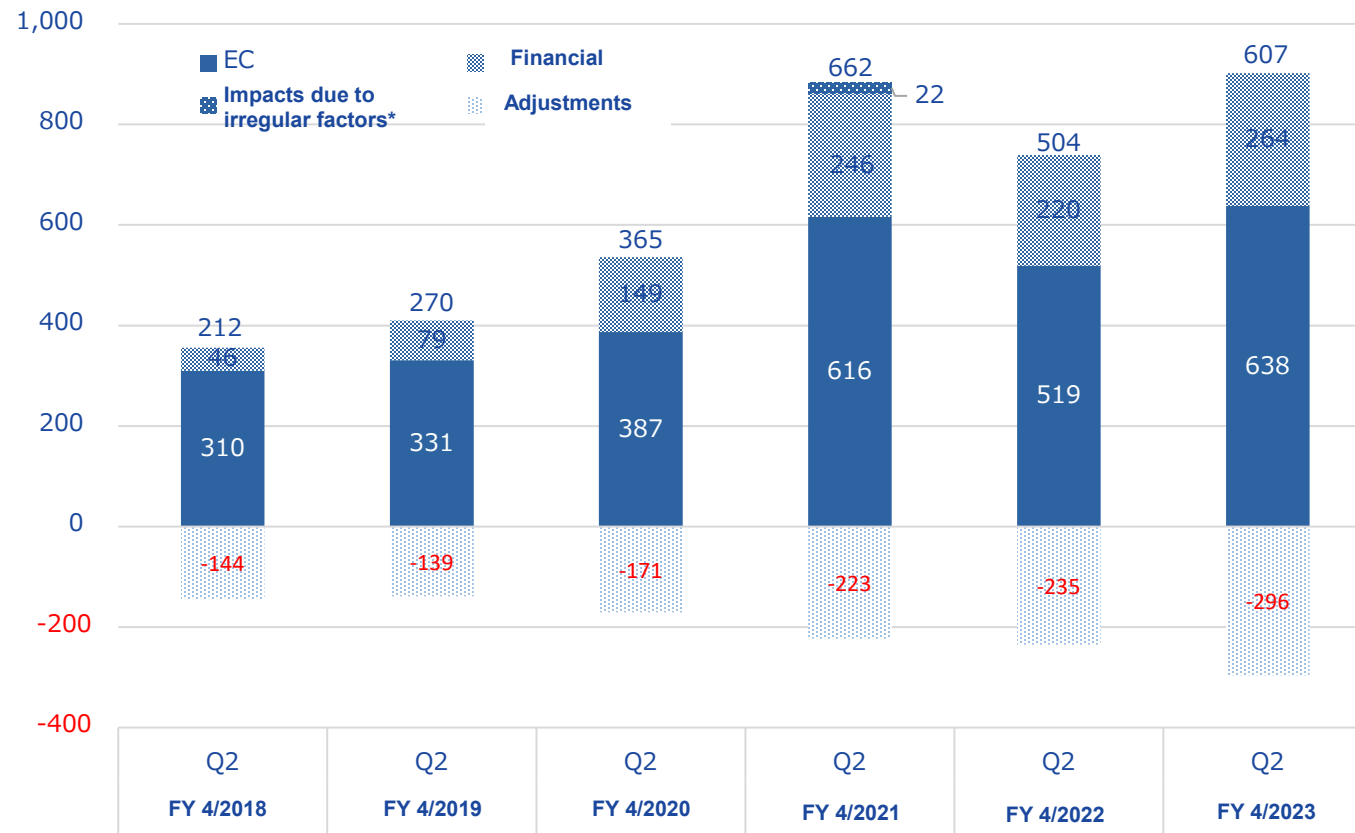
Operating margin excluding advertising and sales promotion expenses was 37.4%



Operating Income Analysis (2)

Profit increased both in the EC business and Financial business
 Growth of each segment profit were +23.0% year on year in the EC business and
 +20.3% year on year in the Financial business

(Unit: Million Yen)



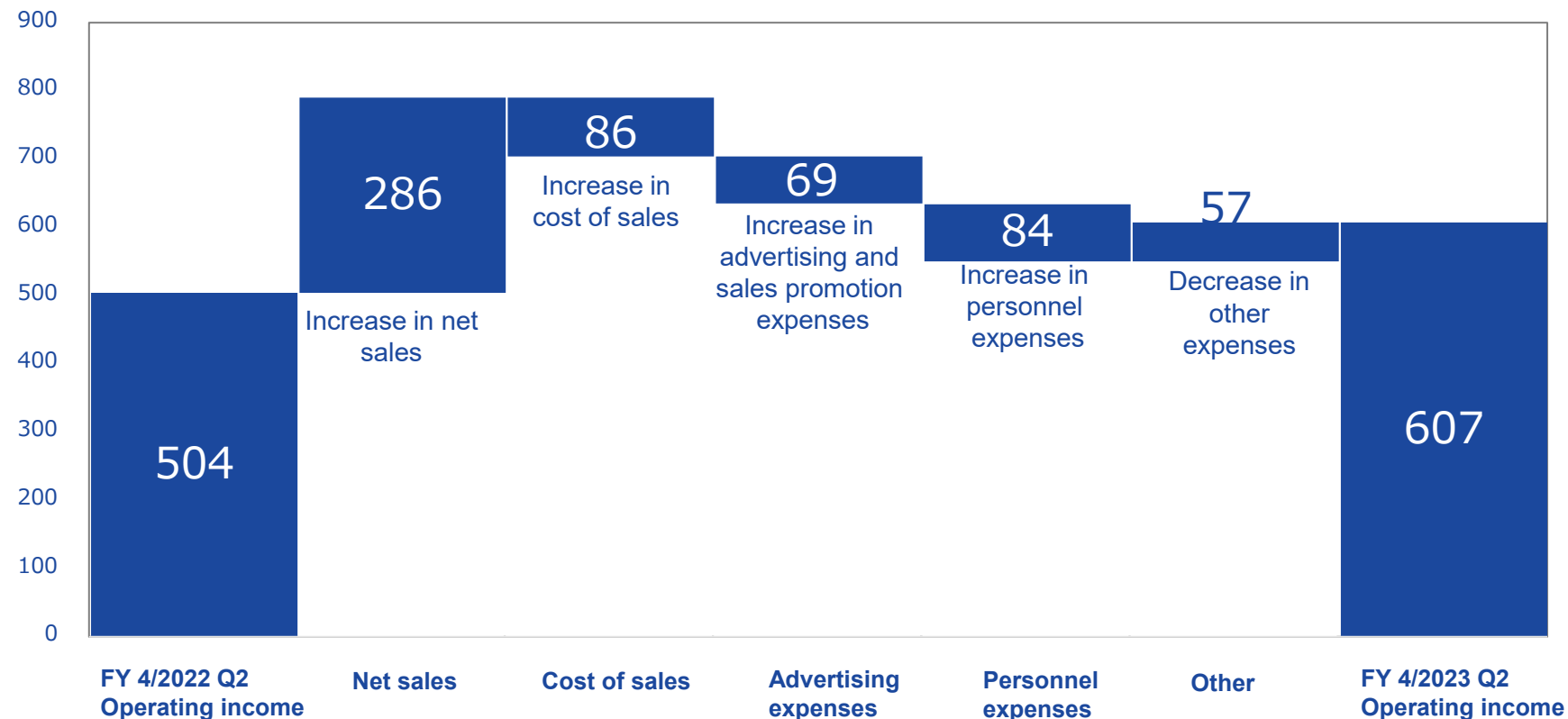
* Profit from irregular factors due to the partial reversal of allowance for guarantees, allowance for claim compensation, and allowance for doubtful accounts, which totaled 41 million yen in preparation for the possibility that the COVID-19 infections would be prolonged in FY 4/2020 Q4.

Factors Behind Change in Operating Income (Year-on-Year Comparison)

Increase in net sales offset increase in advertising and sales promotion expenses and personnel expenses

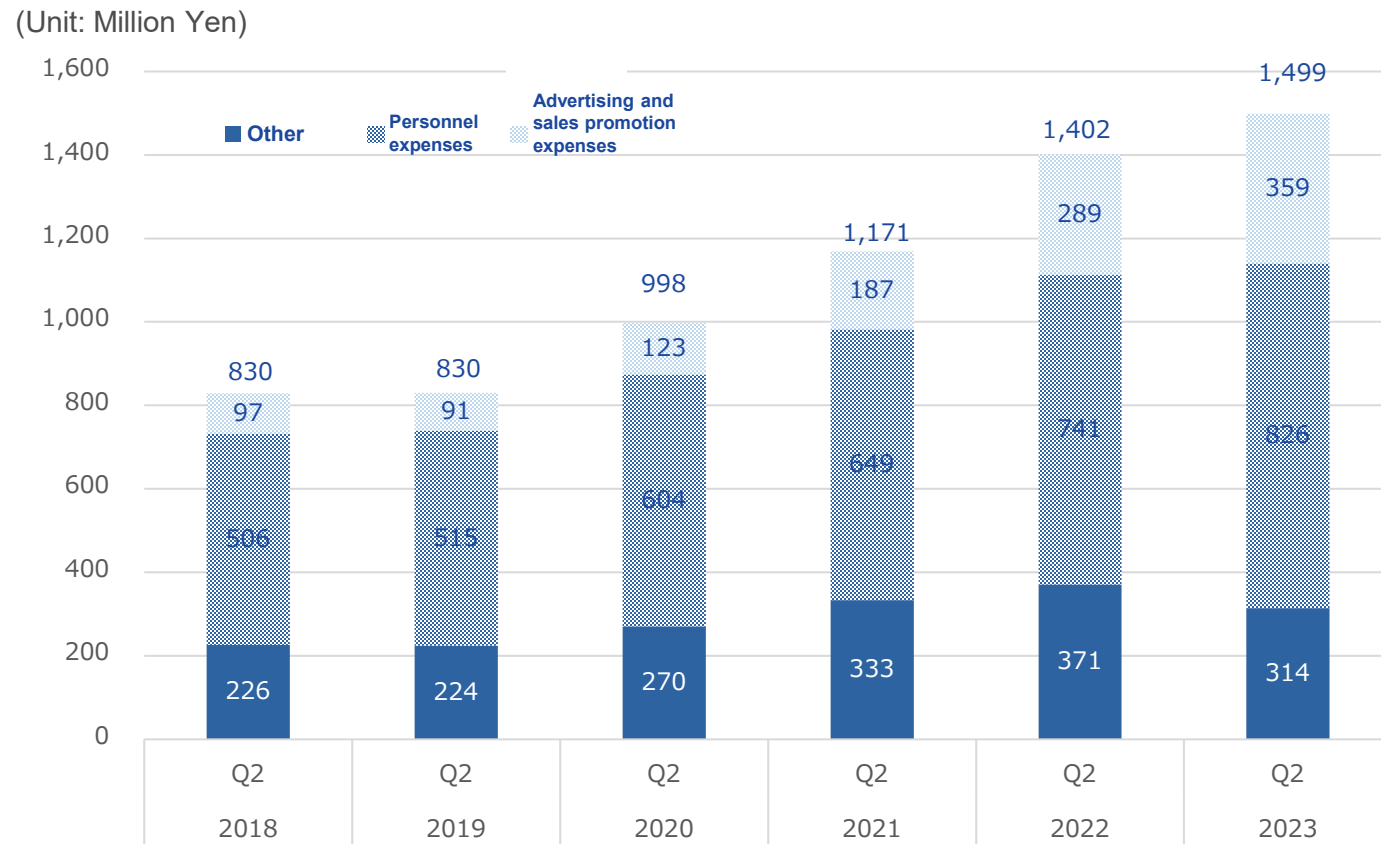
Operating income was 607 million yen (+20.4% YoY)

(Unit: Million Yen)



Change in Composition of Expenses

Increase of advertising and sales promotion expenses (+23.9% YoY) and personnel expenses (+11.5% YoY) associated with strategic investments



Financial Position

(Unit: Million Yen)

	FY 4/2023 Q2	FY 4/2022	Difference	Compared with the end of the previous fiscal year
Current assets	12,018	11,796	221	101.9%
Non-current assets	2,336	2,264	71	103.2%
- Property, plant and equipment	1,430	1,436	-6	99.6%
- Intangible assets	352	336	16	104.8%
- Investments and other assets	553	490	62	112.7%
Current liabilities	7,991	7,629	361	104.7%
Non-current liabilities	1,046	1,066	-19	98.2%
Net assets	5,316	5,364	-48	99.1%
Total assets	14,354	14,060	293	102.1%

Cash Flows

(Unit: Million Yen)

	FY 4/2023 Q2	FY 4/2022 Q2	Difference
Cash flows from operating activities	635	1,488	-853
Cash flows from investment activities	-96	-90	-5
Cash flows from financing activities	-570	-813	242
Increase/decrease in cash and cash equivalents	-31	585	-616
Cash and cash equivalents at end of period	5,302	5,387	-85



Summary by Segment

		YoY
Segment sales	1,554 million yen	+10.1%
Segment profit	638 million yen	+23.0%

		YoY
Domestic gross merchandise value	8,451 million yen	+13.8%
Overseas gross merchandise value	3,233 million yen	+14.7%
Overall gross merchandise value	11,685 million yen	+14.1%

In terms of sales

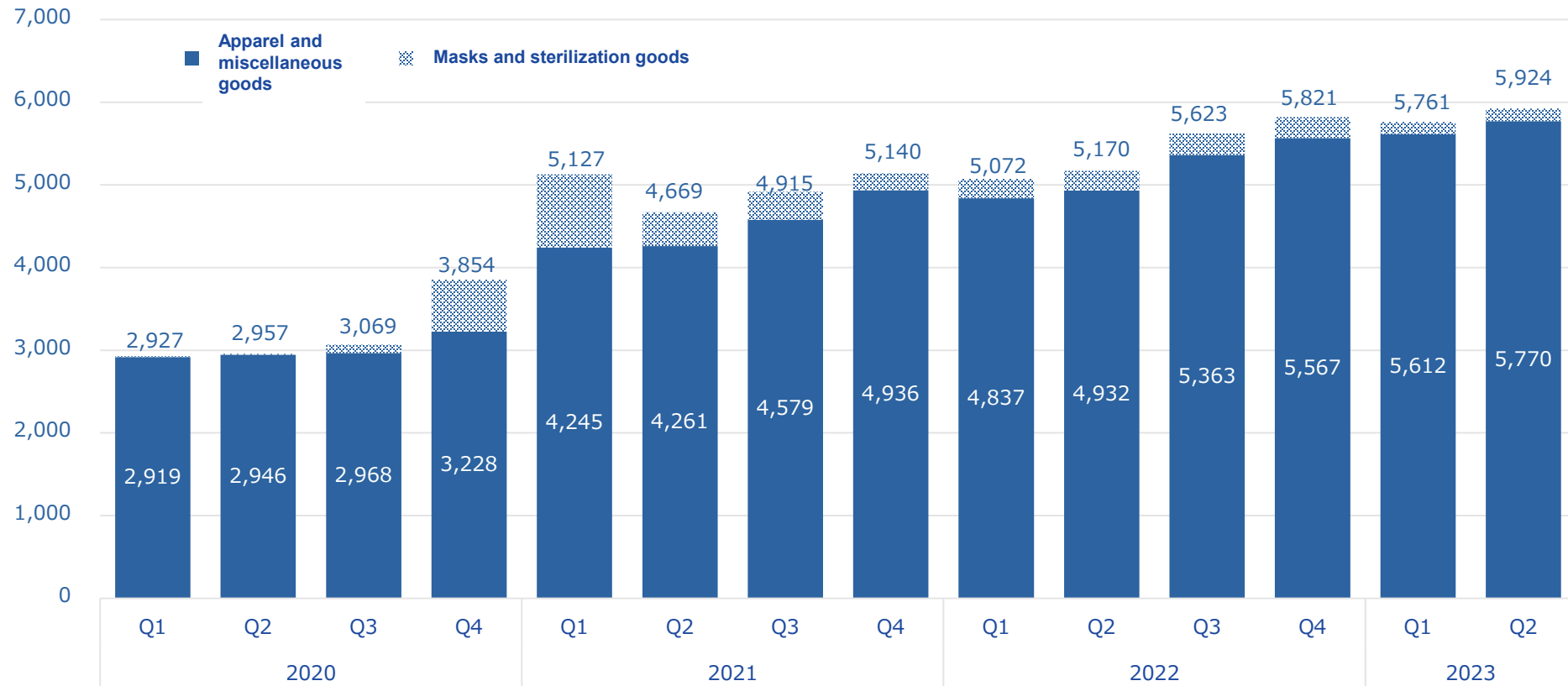
- Domestically, although sales struggled in the first half of Q2 due to the rapid spread of COVID-19 infections, from the second half onward, sales recovered swiftly due to favorable effects from the relaxation of entry standards to Japan for foreign tourists and a national travel subsidy program, and the gross merchandise value increased by 13.8% year on year.
- Overseas, Taiwan and Hong Kong, in which the gross merchandise value accounts for a larger portion, saw a decline in the number of buying customers in Q2 due to external factors such as the spread of COVID-19 infections and politics. In other countries, both the number of buying customers and value of transactions per customer remained strong due to favorable effects from the weakening of the yen, and the gross merchandise value increased by 14.7% year on year.

In terms of expenses

- Advertising and sales promotion expenses increased by 22.9% year on year due to the strengthening of promotional activities such as a point and coupon system and other expenses decreased by 42.9% year on year due to an improvement in borne shipping costs of overseas gross merchandise value, resulting in an increase of 23.0% year on year in segment profit.

The gross merchandise value of apparel and miscellaneous goods in Q2 showed continued strong performance with an increase of 17.0% year on year

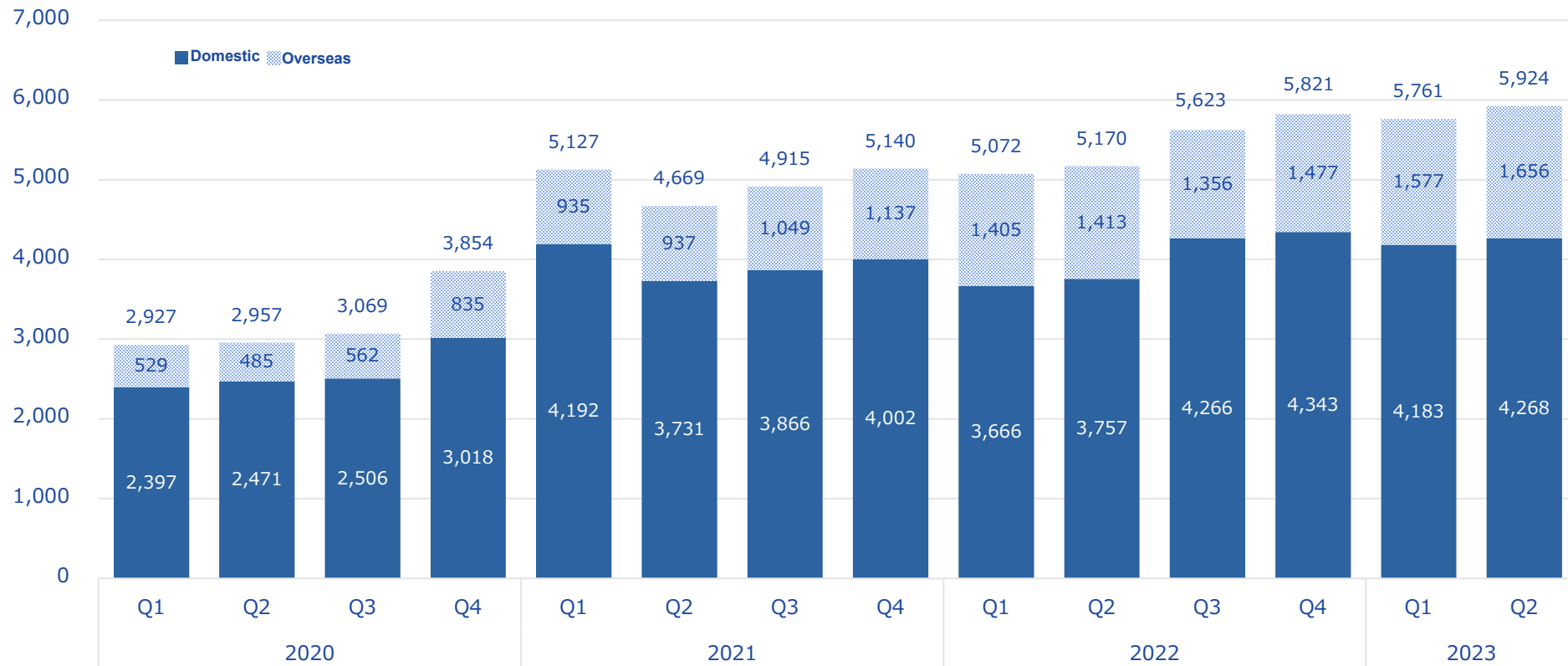
(Unit: Million Yen)



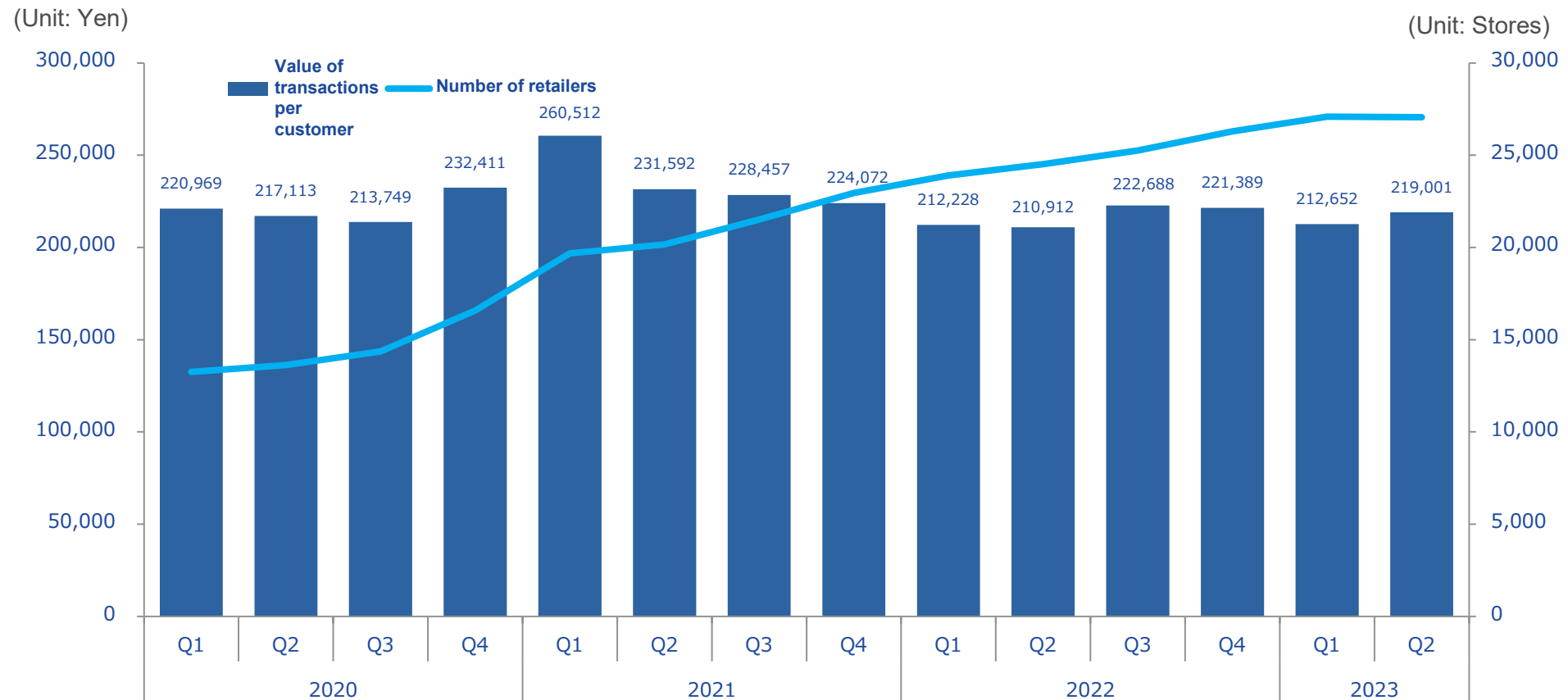
Trends in SUPER DELIVERY Gross Merchandise Value (2)

Steady increase in GMV both domestic and overseas
 (Domestic: +13.8% YoY, overseas: +14.7% YoY)
 Overall growth was +14.1%

(Unit: Million Yen)

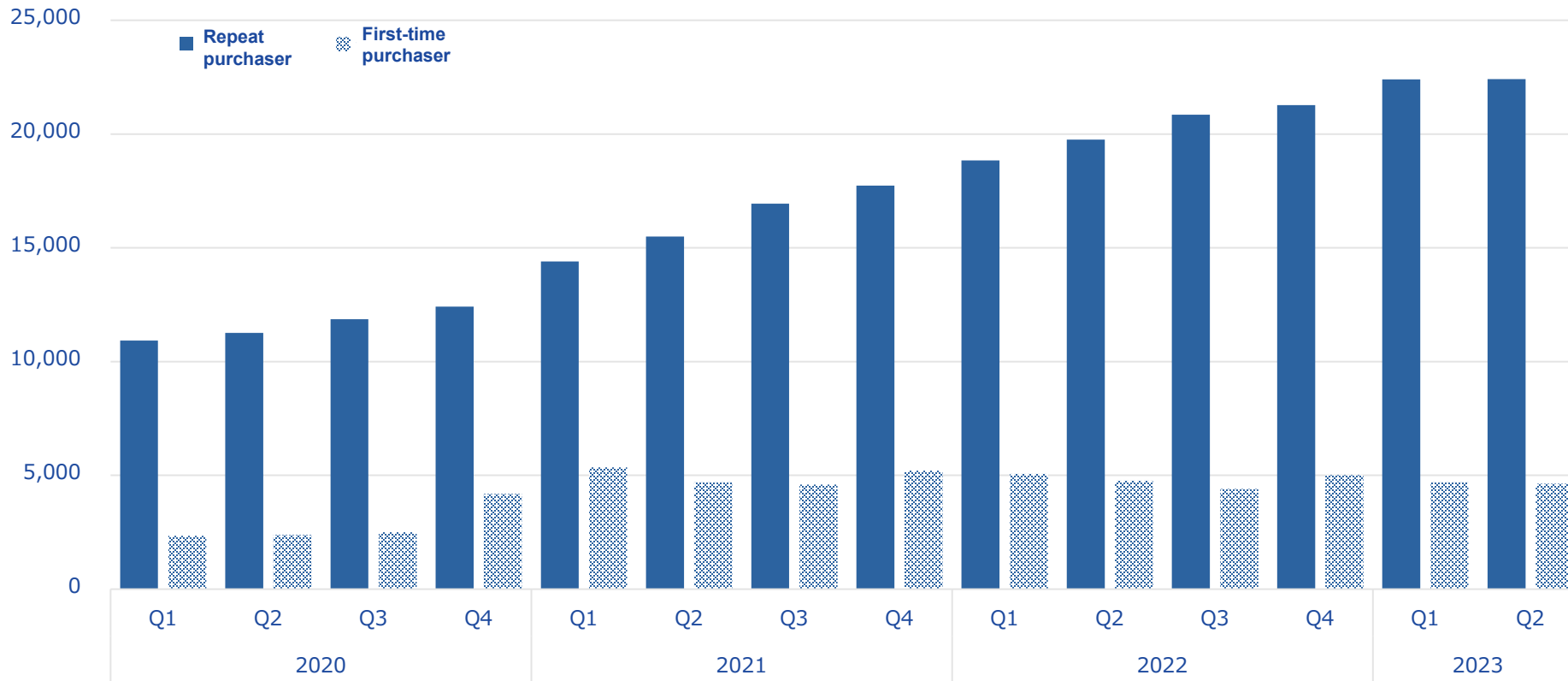


Value of transactions per customer grew due to measures to increase value of transactions per customer, as well as the favorable effects from impact of relaxation of regulations in Japan, inbound demand, and the weakening of the yen



(Reference) Breakdown of No. of Buying Customers

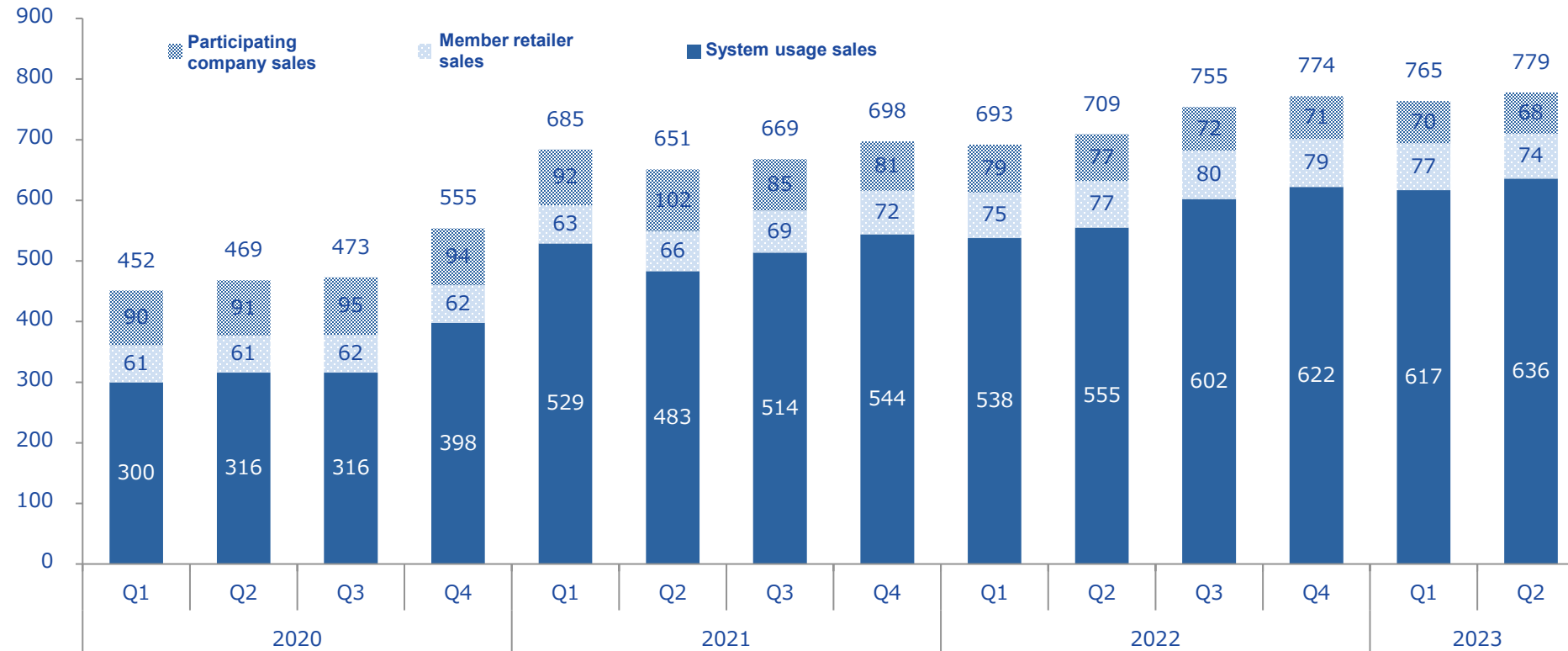
Number of repeat purchasers remained flat due to the impact of decline in Taiwan and Hong Kong purchasers caused by temporary factors
 The number of repeat purchasers in Japan increased



* First-time purchasers are business operators who made purchases for the first time during the quarter. Those who made additional purchases during the same quarter after their initial purchase are counted as first-time purchasers.

System usage sales increased due to the increase in gross merchandise value

(Unit: Million Yen)



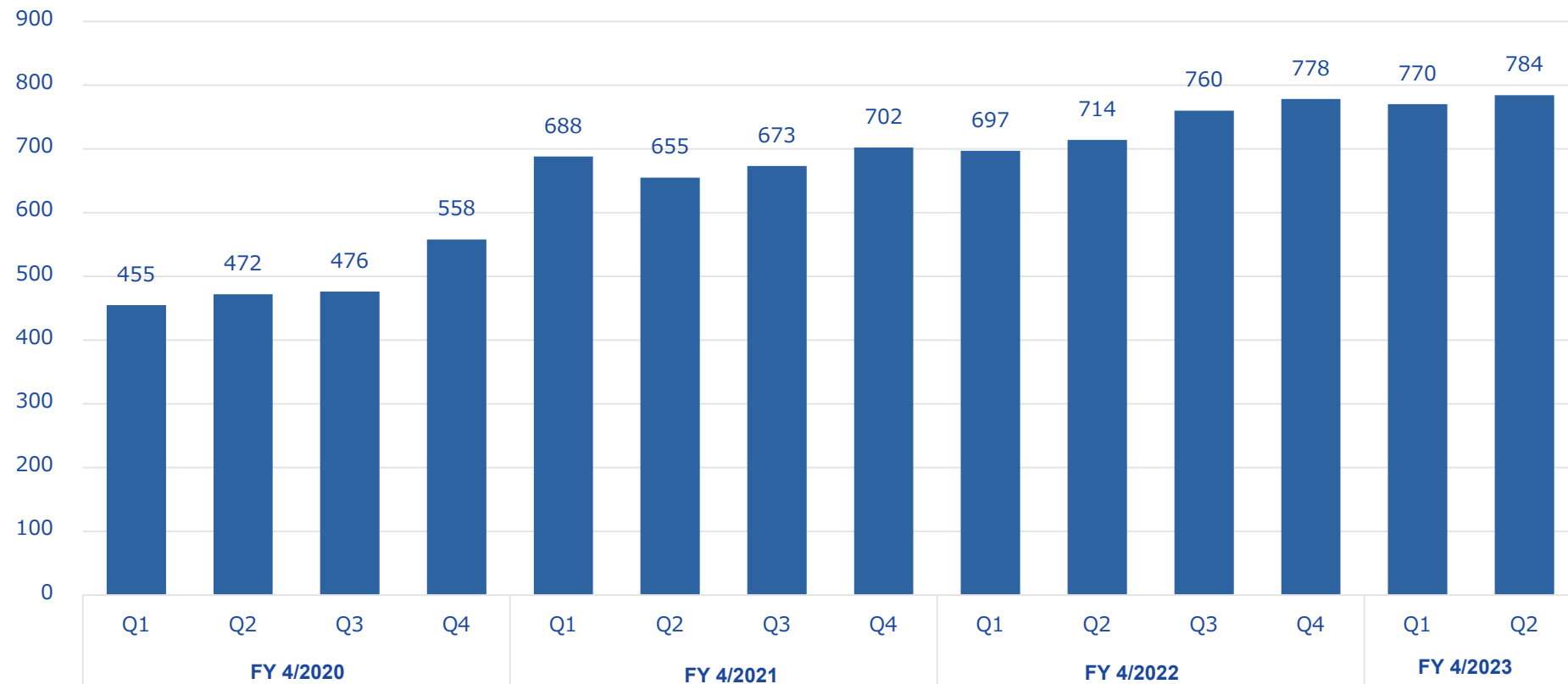
* System usage sales = fees calculated by charging a certain rate to GMV and collected from participating companies

Participating company sales = basic participation fees

Member retailer sales = monthly membership fees (collected from domestic retailers only)

Overall quarterly net sales for EC increased steadily by 9.8% year on year

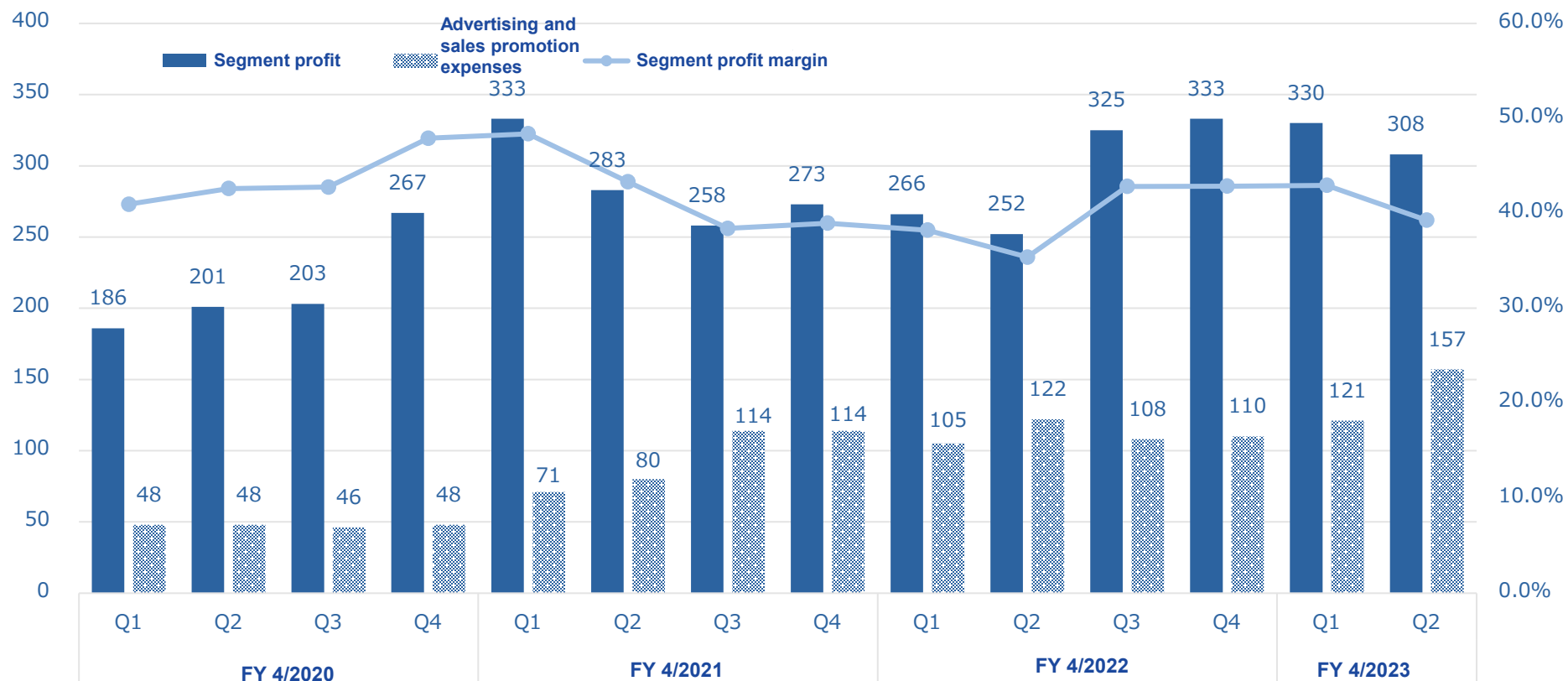
(Unit: Million Yen)



Trends in Segment Profit by Quarter




Segment profit increased by 21.9% year on year with continued double-digit growth despite a 29.0% year-on-year increase in advertising and sales promotion expenses due to the strengthening of a point and coupon system

(Unit: Million Yen)



		YoY
Segment sales	1,157 million yen	+16.8%
Segment profit	264 million yen	+20.3%

In terms of sales

Guarantee	Guarantee balance steadily increased to 19.2% compared with the end of the previous fiscal year		+16.3%
Payment	Continued increase in transaction volume, resulting in a year-on-year increase of 22.6%	 <small>*Comparison excluding internal sales</small>	+23.6%
Rent guarantee	The guarantee balance continued to steadily accumulate		+6.8%
			YoY

In terms of expenses

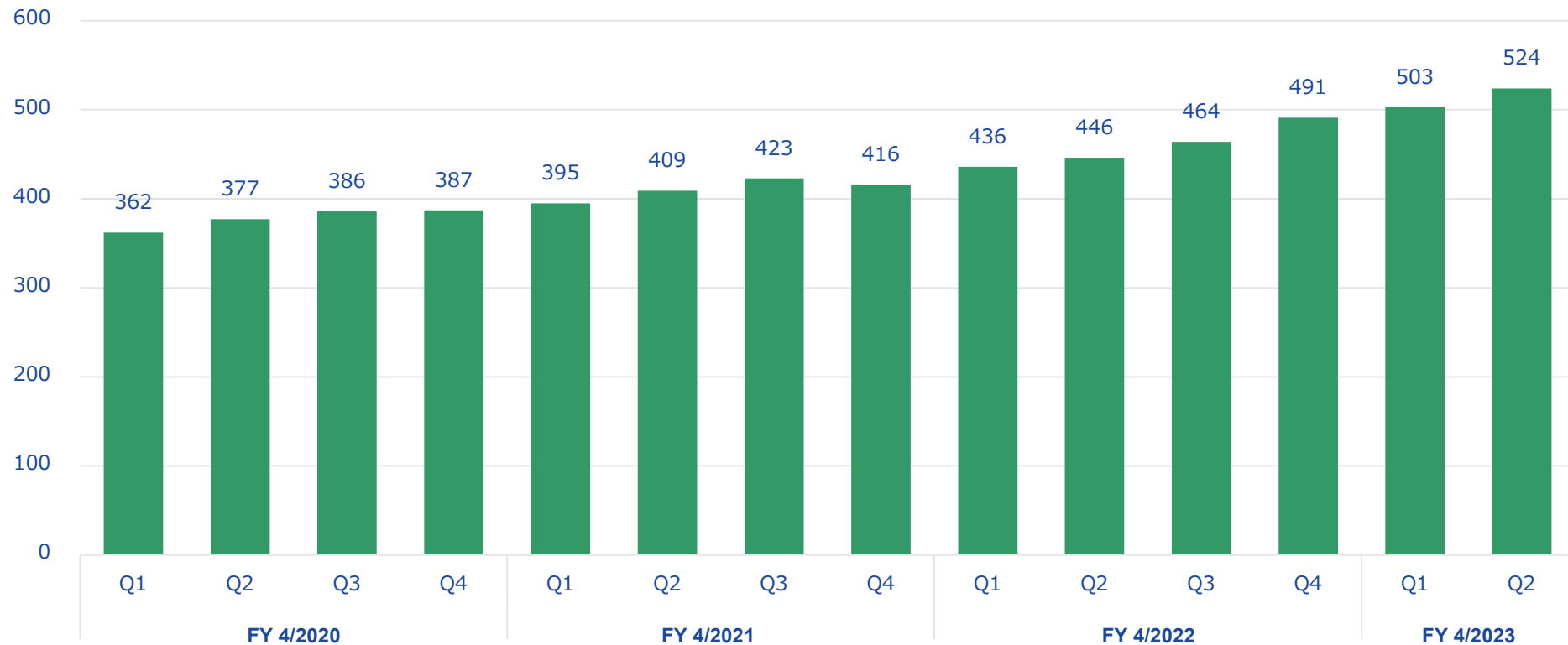
- The Company's credit control is functioning well and the rate of cost of sales has not changed and remains lower than pre-pandemic levels.
- +
- Advertising expenses increased 42.6% year on year as a result of strengthening of promotions.

▼

Segment profit was up 20.3% year on year
Segment profit margin was maintained over 20% at 22.9%.

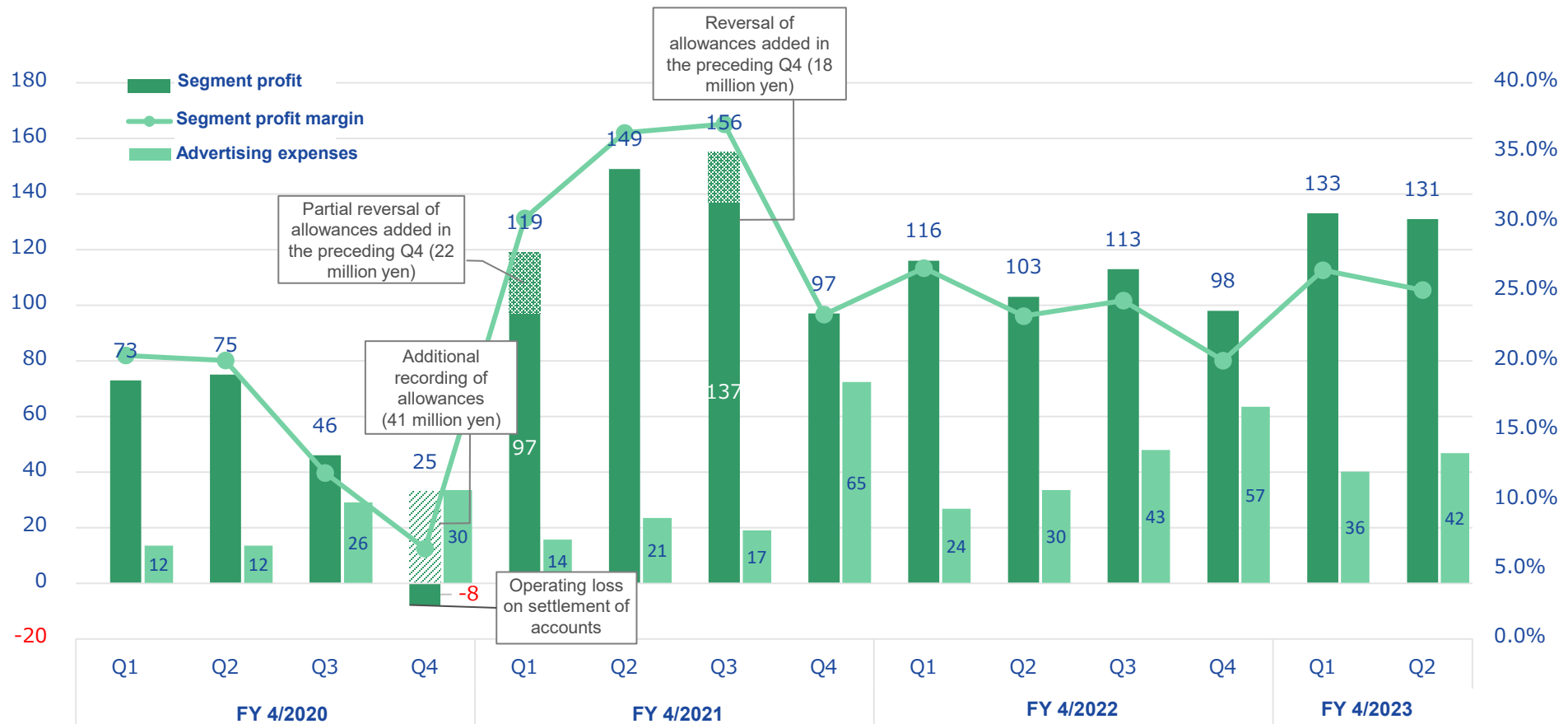
Net sales excluding inter-segment transactions increased by 4.3% quarter on quarter and 17.4% year on year, showing continued double-digit growth

(Unit: Million Yen)

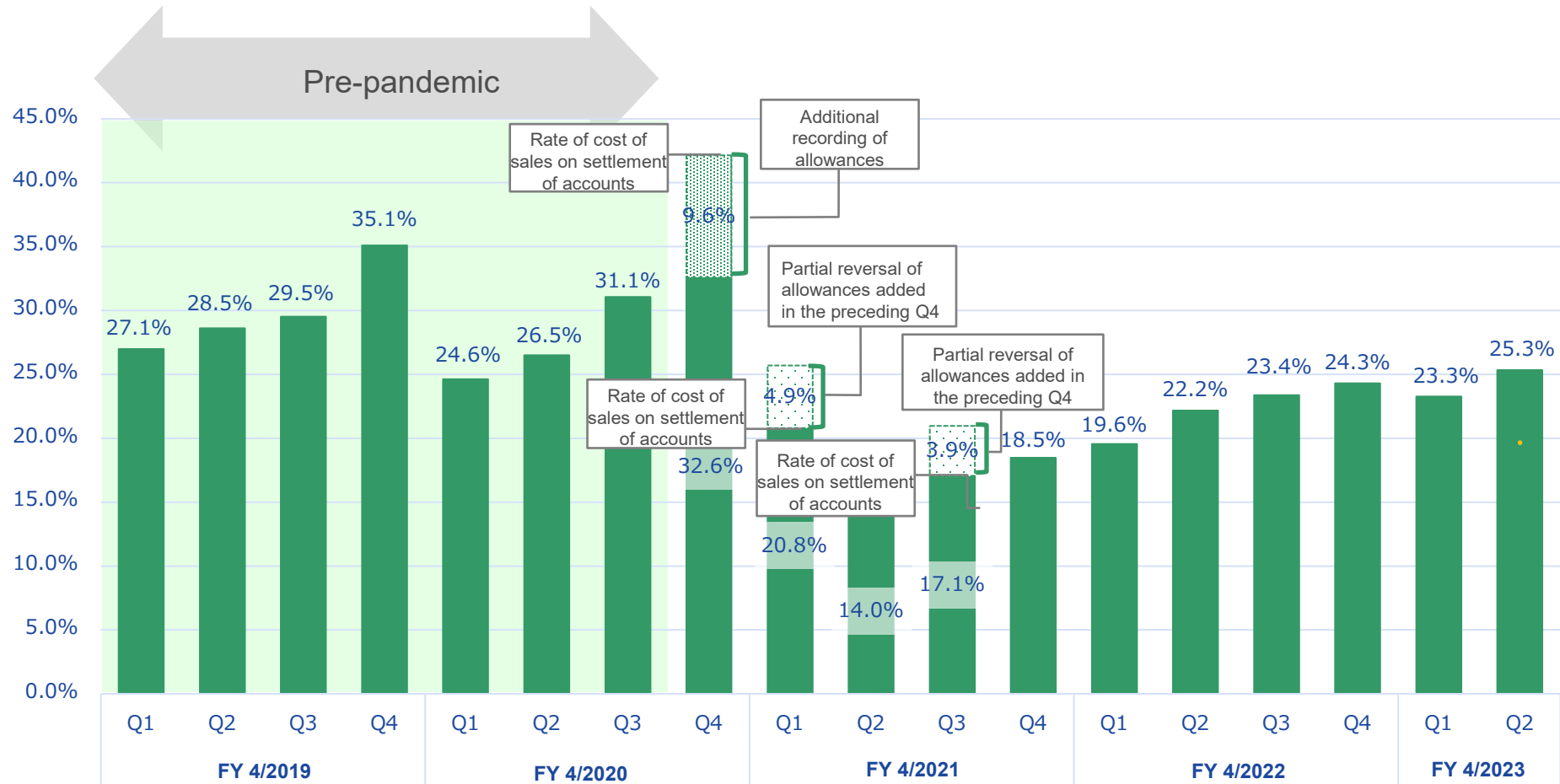


*Inter-segment transactions are excluded.

By achieving double-digit growth in net sales and limiting the rate of cost of sales, quarterly segment profit increased by 26.8% year on year

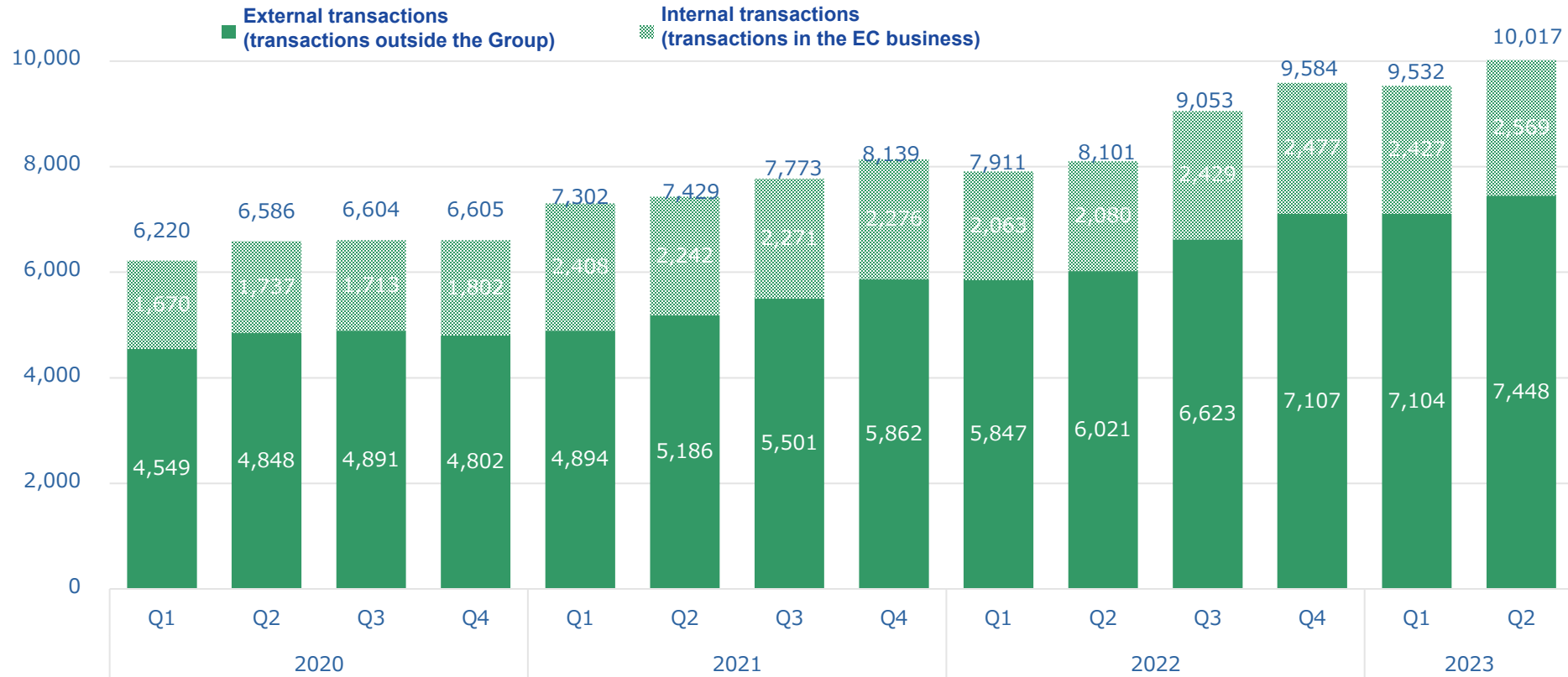


Rate of cost of sales remained lower than pre-pandemic levels



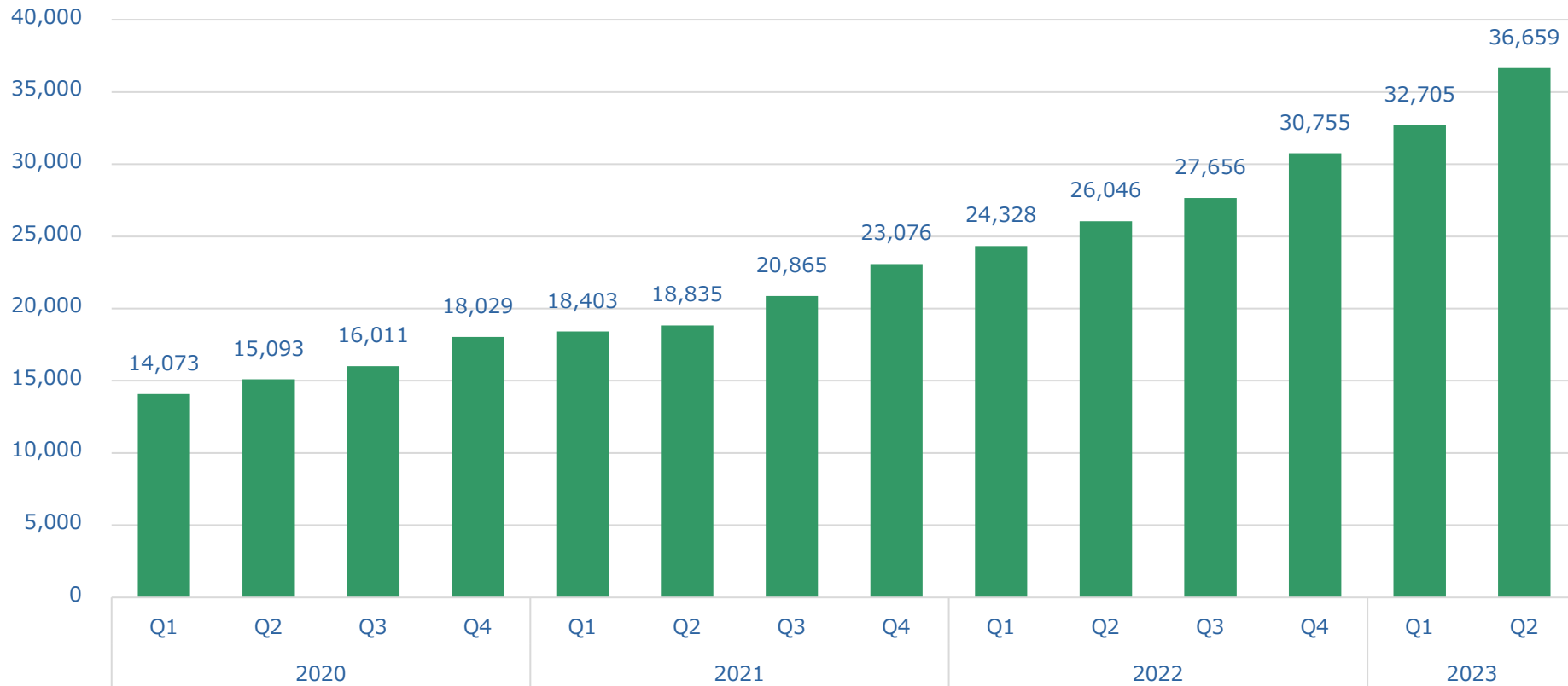
External transactions continued steady growth with an increase of 4.8% quarter on quarter and 23.7% year on year

(Unit: Million Yen)



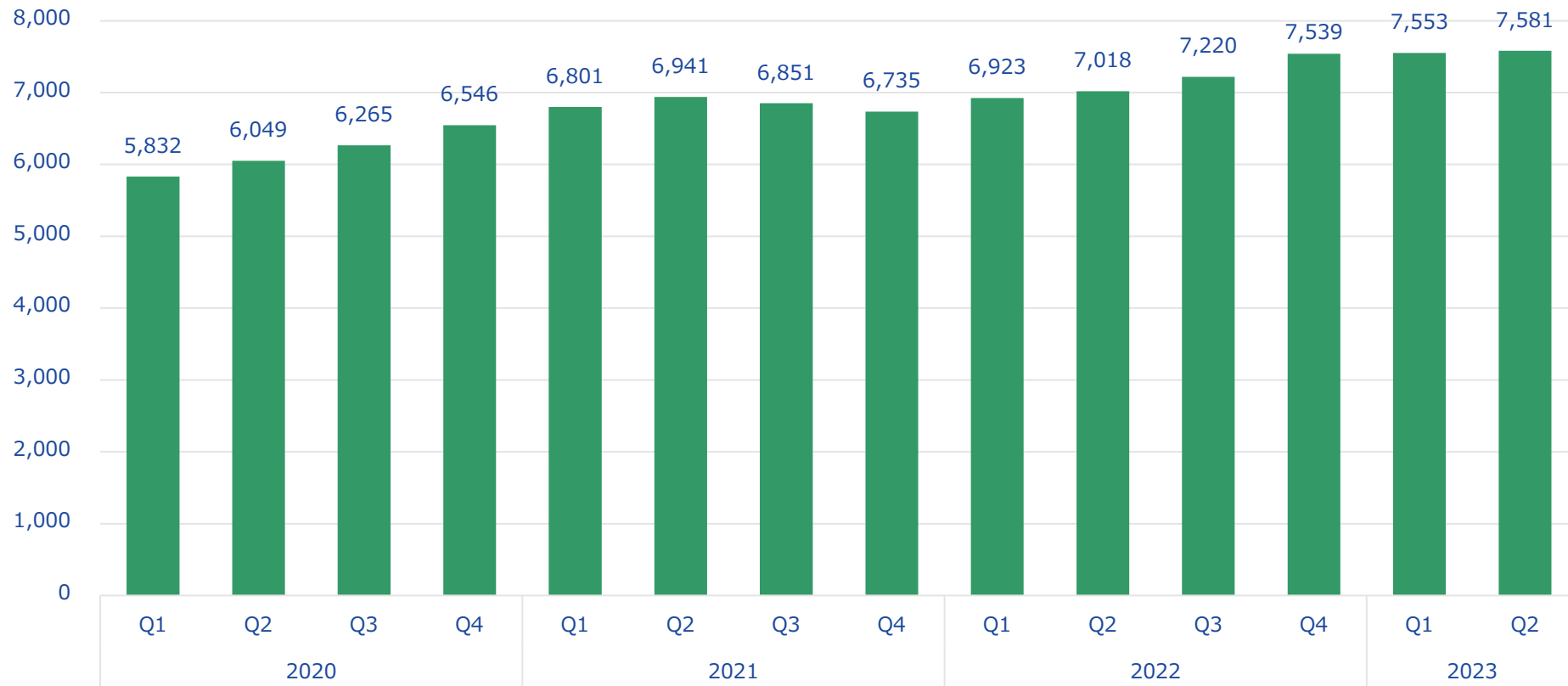
The guarantee balance steadily increased by 12.1% quarter on quarter and by 40.7% year on year

(Unit: Million Yen)



The guarantee balance remains steady

(Unit: Million Yen)



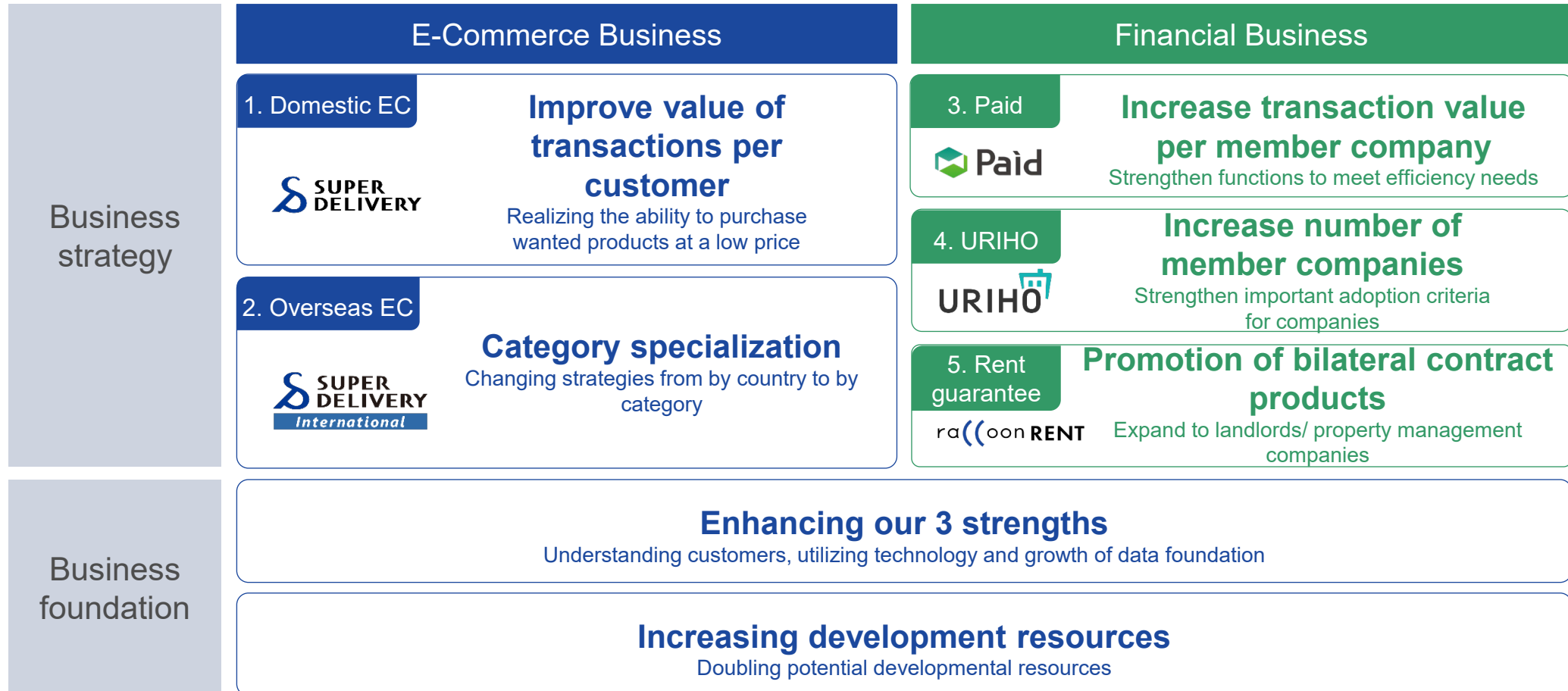
*The figures indicate the actual guarantee balance calculated by the formula of guarantee balance / guarantee period x average implementation period. Accordingly, the figures differ from the balances indicated in the relevant Summary of Financial Results and Securities Report.



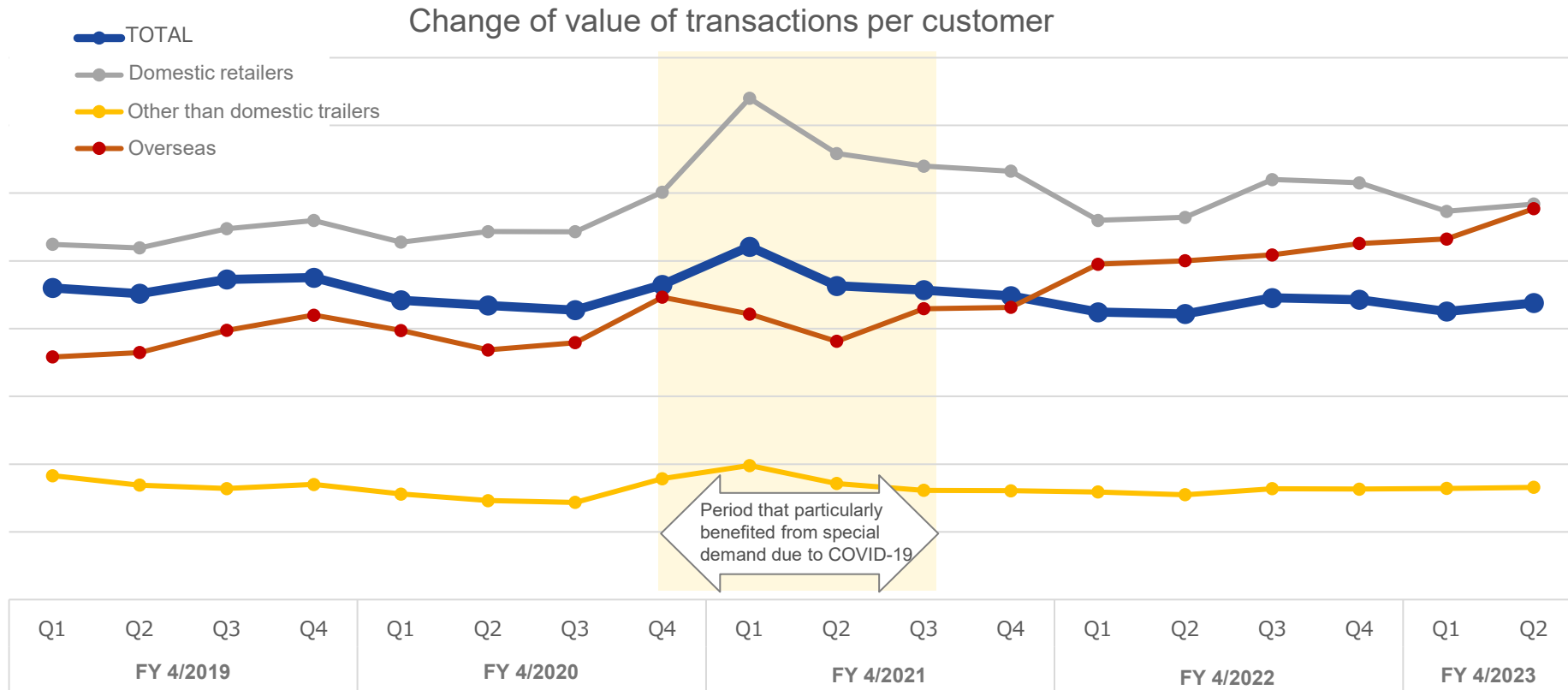
Progress in Mid-term Management Plan

Overall View of Mid-Term Management Plan

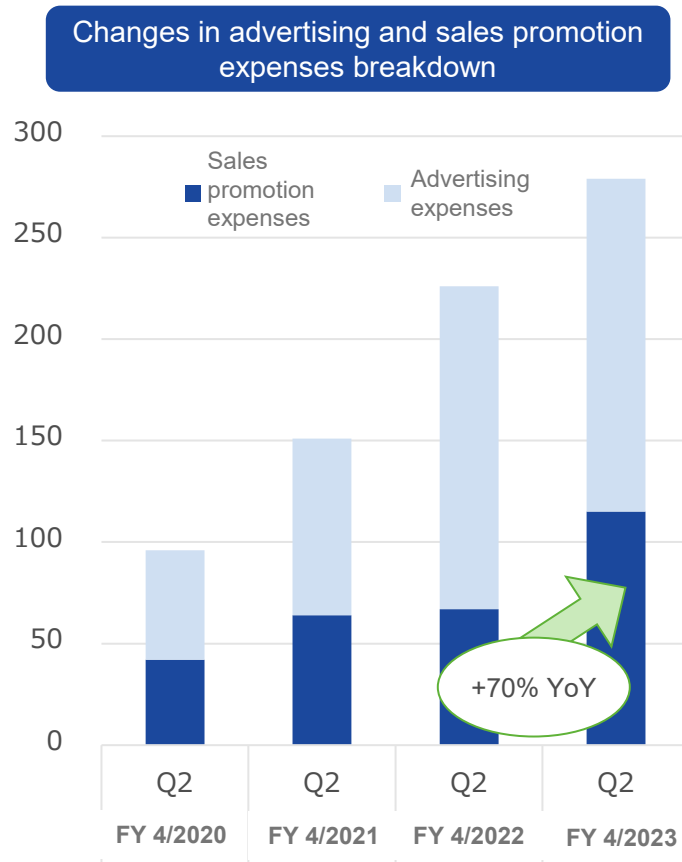
Sustainable growth by improving LTV



While value of transactions per customer varies widely by category, each shows a gradual improvement



Working on initiatives for higher value of transactions per customer by increasing investment in sales promotion while also continuing to attract new customers (new purchasers)

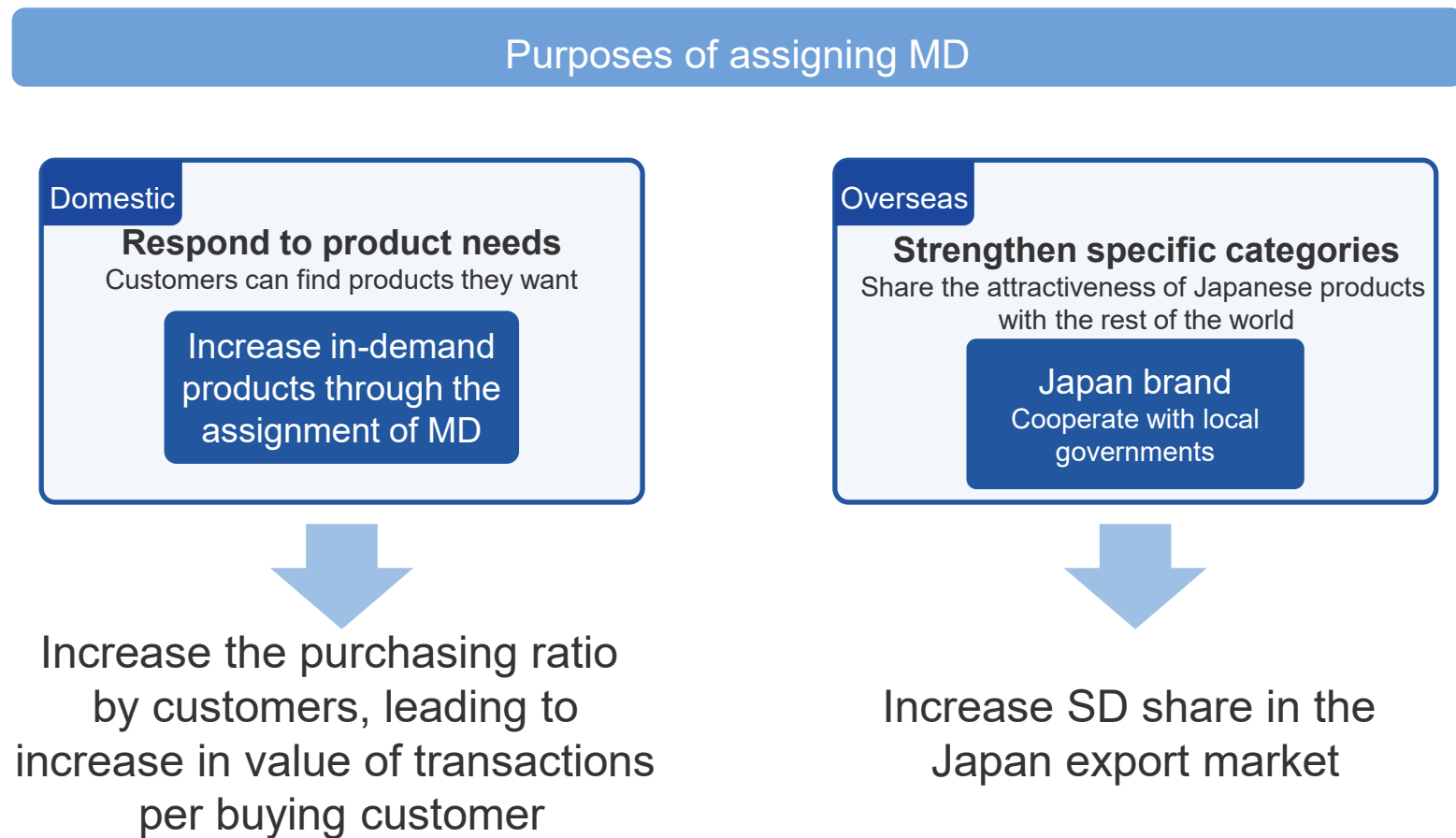


Trial and error is underway to find more effective methods
 Some successful cases have been reported
 Signs of improvement in value of transactions per customer

Example initiatives

- Free shipping coupon for new members
- Grant points as a benefit of membership
- Increase the percentage of points granted based on the purchase amount
- Reward points for purchases that meet certain criteria

Assign a merchandiser (MD) in two categories that are expected to have high contribution to increase in value of transactions per customer and GMV



From development of country-specific service sites to localization support on SD export



*Currently three languages with high contribution to GMV are supported

✓ Introduced DeepL for more accurate translation
SD export was modified accordingly

✓ Environment is now in place to promote personalization by country, using only SD export



✓ In addition, “insufficient resources” and “increased investment costs,” which had been issues in promoting localization strategy, have been eliminated

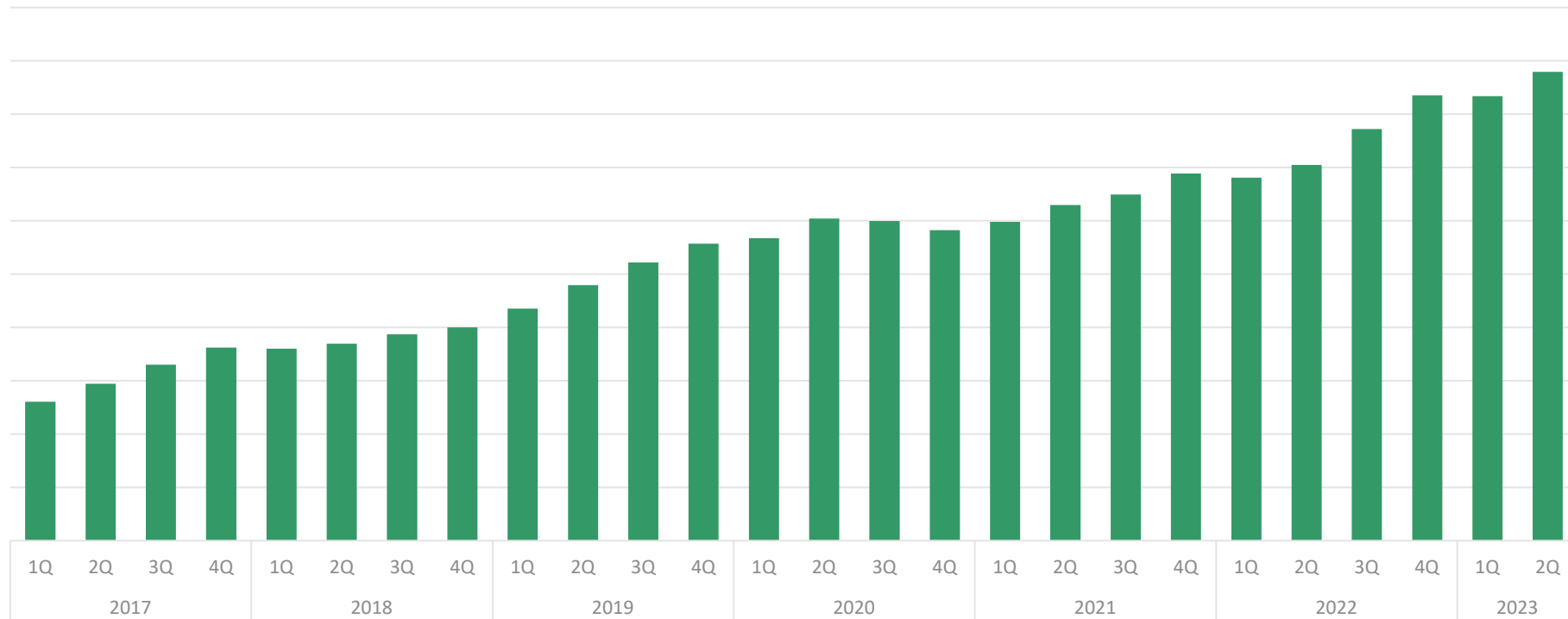
✓ Review of the system led to the decision that development of localized sites for each country was no longer necessary

✓ “日貨百貨 (SD Taiwan)” will be terminated due to strategy review (scheduled for April 2023, already recorded extraordinary loss in Q2)

Strengthen sales activities to companies with high potential for value of transactions per member company

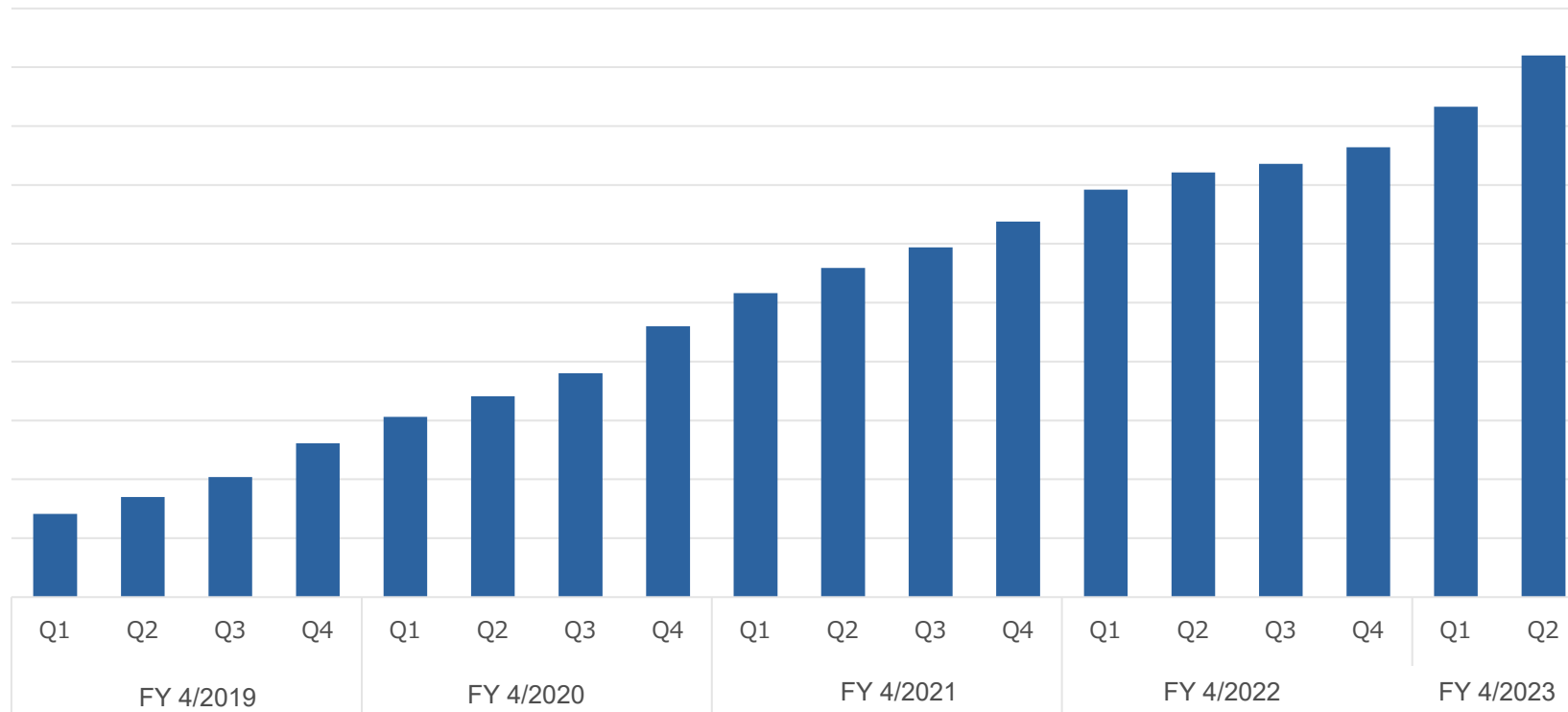
Value of transactions per member company is +12.6% year on year

Trends in external net sales



Steady increase in the number of member companies due to improved and strengthened promotional activities

Trends in the number of member companies



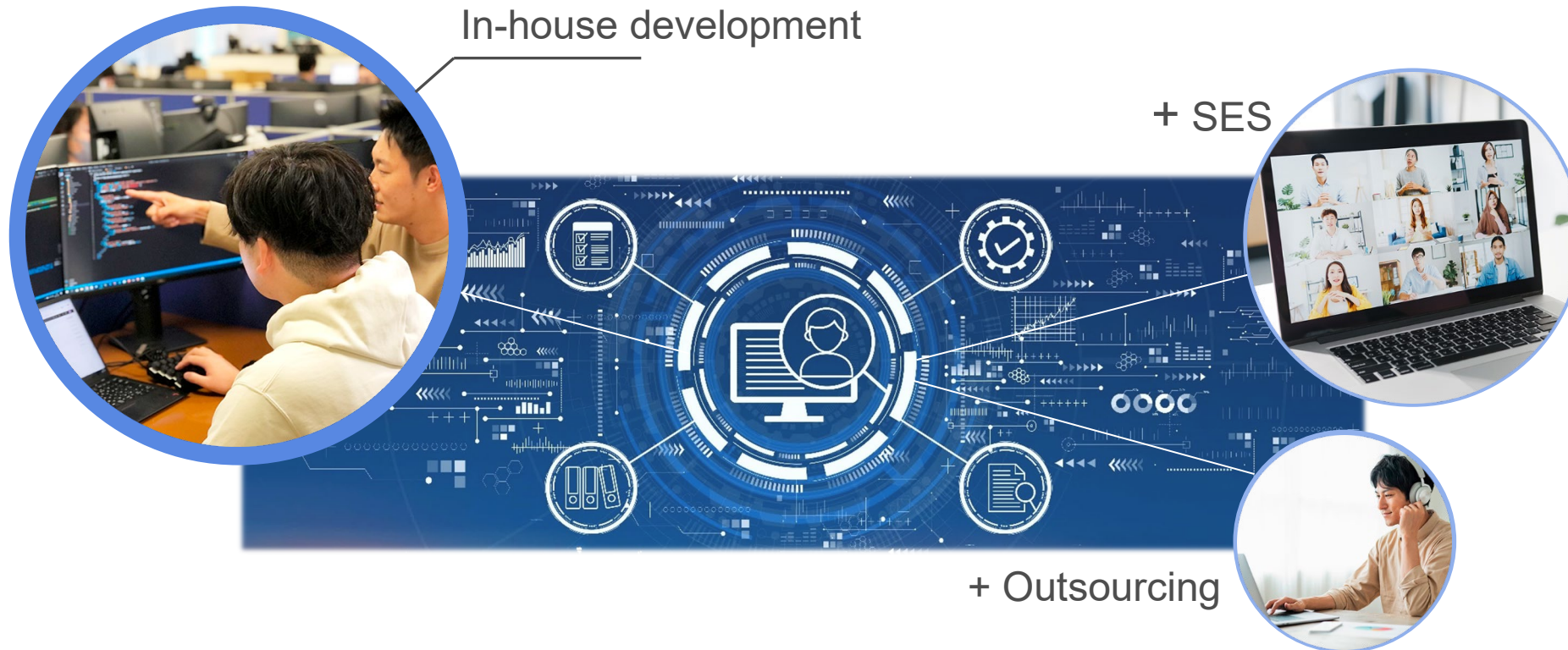
Making efforts to expand the number of member companies by offering a new scheme to broaden the possibilities of using “URIHO”



Support financing through liquidation of third-party guaranteed subscription fee receivables

Increasing Development Resources

Use in-house development in principle, but also utilize outsourcing and SES
Accelerate development speed while accumulating development know-how in-house



Reference: Appendix

Trends in Consolidated Net Sales by Quarter

(Unit: Thousand Yen)

	2017				2018				2019			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EC	392,285	393,391	409,310	416,992	411,858	422,816	429,159	431,392	425,150	425,472	446,243	466,189
Financial	177,263	182,555	189,081	198,432	200,454	204,346	218,443	227,608	243,873	257,229	364,526	351,713
Total	569,548	575,946	598,391	615,424	612,313	627,162	647,603	659,000	669,023	682,702	810,769	817,902

	2020				2021				2022			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EC	455,214	472,263	476,792	558,665	688,464	655,525	673,588	702,650	697,548	714,229	760,062	778,836
Financial	362,899	377,467	386,461	387,906	395,763	409,649	423,019	416,060	436,585	446,940	464,588	491,192
Total	818,113	849,730	863,254	946,571	1,084,227	1,065,175	1,096,607	1,118,710	1,134,133	1,161,169	1,224,651	1,270,028

	2023	
	1Q	2Q
EC	770,222	784,414
Financial	503,005	524,498
Total	1,273,227	1,308,913

(((Trends in Consolidated Operating Income by Quarter

(Unit: Thousand Yen)

	2017				2018				2019			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EC	139,203	140,305	154,643	150,387	150,866	159,467	165,583	169,227	167,308	164,168	186,450	196,600
Financial	13,878	13,679	14,979	13,470	26,952	19,235	25,016	5,055	37,533	41,638	17,839	45,823
Adjustment	-58,634	-48,480	-51,960	-60,661	-71,758	-72,556	-68,443	-70,957	-71,567	-68,219	-81,257	-87,592
Total	94,448	105,504	117,662	103,197	106,060	106,146	122,156	103,325	133,274	137,587	123,032	154,831

	2020				2021				2022			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EC	186,422	201,232	203,865	267,602	333,001	283,910	258,746	273,772	266,643	252,695	325,573	333,849
Financial	73,979	75,589	46,154	-8,196	119,745	149,092	156,609	97,068	116,433	103,780	113,023	98,347
Adjustment	-84,626	-87,353	-88,140	-80,443	-107,999	-115,067	-118,415	-134,296	-123,752	-111,402	-108,200	-140,909
Total	175,775	189,468	161,878	178,963	344,748	317,936	296,940	236,544	259,324	245,073	330,395	291,287

	2023	
	1Q	2Q
EC	330,732	308,053
Financial	133,418	131,575
Adjustment	-149,447	-146,806
Total	314,702	292,821

EC: Trends in “SUPER DELIVERY” Sales

(Unit: Thousand Yen)

	2017				2018				2019			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
System usage sales	236,045	238,416	252,671	260,824	254,911	267,006	275,823	277,465	272,082	275,301	294,524	314,239
Member retailer sales	61,362	62,442	61,854	61,986	61,538	61,342	61,050	61,002	61,170	60,712	60,888	61,070
Participating company sales	94,181	91,496	93,793	92,986	94,273	93,141	90,785	91,183	89,903	87,312	88,610	88,415
Total	391,589	392,354	408,319	415,797	410,722	421,490	427,659	429,651	423,155	423,326	444,023	463,724
Gross merchandise value	2,373,604	2,364,000	2,504,825	2,592,073	2,540,172	2,607,775	2,704,572	2,731,729	2,672,949	2,674,929	2,852,157	3,044,716

	2020				2021				2022			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
System usage sales	300,684	316,377	316,321	398,846	529,040	483,696	514,329	544,552	538,446	555,520	602,578	622,737
Member retailer sales	61,814	61,801	62,315	62,285	63,129	66,147	69,678	72,320	75,702	77,266	80,136	79,748
Participating company sales	90,066	91,213	95,092	94,418	92,962	102,087	85,787	81,772	79,199	77,072	72,793	71,656
Total	452,564	469,392	473,730	555,550	685,132	651,931	669,794	698,644	693,347	709,859	755,507	774,141
Gross merchandise value	2,927,620	2,957,307	3,069,019	3,854,776	5,127,935	4,669,605	4,915,725	5,140,681	5,072,675	5,170,706	5,623,323	5,821,213

	2023	
	1Q	2Q
System usage sales	617,971	636,012
Member retailer sales	77,118	74,468
Participating company sales	70,263	68,952
Total	765,353	779,432
Gross merchandise value	5,761,178	5,924,639

EC: No. of Buying Customers That Purchased Via “SUPER DELIVERY” and Value of Transactions Per Customer

	2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
No. of buying customers (stores)	8,759	8,662	8,796	8,937	8,919	8,763	8,875	9,027	9,077	9,129	9,318	9,654
Value of transactions per customer (yen)	263,338	275,998	273,161	272,449	254,966	268,478	270,505	283,623	261,496	258,955	268,815	268,497

	2018				2019				2020			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
No. of buying customers (stores)	9,829	10,210	10,497	11,046	11,616	11,846	12,068	12,814	13,249	13,621	14,358	16,586
Value of transactions per customer (yen)	258,436	255,413	257,651	247,304	230,109	225,808	236,340	237,608	220,969	217,113	213,749	232,411

	2021				2022				2023	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
No. of buying customers (stores)	19,684	20,163	21,517	22,942	23,902	24,516	25,252	26,294	27,092	27,053
Value of transactions per customer (yen)	260,512	231,592	228,457	224,072	212,228	210,912	222,688	221,389	212,652	219,001

Financial: Trends in “Paid” Transaction Value

(Unit: Thousand Yen)

	2015				2016				2017			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Internal transactions	1,598,398	1,735,527	1,703,691	1,750,567	1,637,797	1,699,168	1,733,022	1,869,146	1,652,225	1,672,828	1,741,922	1,767,514
External transactions	728,416	839,188	980,724	1,157,949	1,355,857	1,539,287	1,681,144	1,888,849	2,000,291	2,311,575	2,597,637	2,841,259
Total	2,326,815	2,574,716	2,684,416	2,908,517	2,993,654	3,238,455	3,414,167	3,757,996	3,652,516	3,984,403	4,339,560	4,608,774

	2018				2019				2020			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Internal transactions	1,682,372	1,724,556	1,751,225	1,737,694	1,637,880	1,624,883	1,701,840	1,757,236	1,670,517	1,737,978	1,713,416	1,802,943
External transactions	2,829,913	2,920,373	3,105,237	3,297,511	3,588,014	3,977,456	4,270,115	4,488,159	4,549,949	4,848,632	4,891,303	4,802,197
Total	4,512,285	4,644,930	4,856,462	5,035,205	5,225,894	5,602,340	5,971,955	6,245,395	6,220,467	6,586,611	6,604,719	6,605,141

	2021				2022				2023	
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q
Internal transactions	2,408,086	2,242,342	2,271,979	2,276,493	2,063,159	2,080,501	2,429,434	2,477,309	2,427,775	2,569,578
External transactions	4,894,563	5,186,738	5,501,080	5,862,713	5,847,946	6,021,341	6,623,795	7,107,072	7,104,559	7,448,331
Total	7,302,650	7,429,081	7,773,059	8,139,206	7,911,105	8,101,843	9,053,230	9,584,381	9,532,335	10,017,910

Financial: Trends in the URIHO Guarantee Balance

(Unit: Thousand Yen)

2016				2017				2018			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
5,241,870	5,447,712	5,629,359	6,267,980	5,803,443	5,895,684	5,689,826	6,158,819	6,785,008	7,743,693	8,583,315	9,907,803

2019				2020				2021			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
10,311,384	11,403,717	12,193,958	13,609,462	14,073,465	15,093,308	16,011,597	18,029,768	18,403,599	18,835,716	20,865,449	23,076,794

2022				2023	
1Q	2Q	3Q	4Q	1Q	2Q
24,328,307	26,046,103	27,656,974	30,755,223	32,705,238	36,659,810

EC Business Financial: Trends in the Rent Guarantee Balance

(Unit: Thousand Yen)

2016				2017				2018			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
117,323	170,098	221,702	267,139	340,143	402,415	458,777	594,519	737,035	857,787	979,309	1,113,485

2019				2020				2021			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
1,224,871	1,252,870	5,435,686	5,622,052	5,832,274	6,049,021	6,265,811	6,546,084	6,801,684	6,941,143	6,851,240	6,735,393

2022				2023	
1Q	2Q	3Q	4Q	1Q	2Q
6,923,983	7,018,401	7,220,875	7,539,978	7,553,101	7,581,199

* The figures indicate the actual guarantee balance calculated by the formula of guarantee balance / guarantee period x average implementation period. Accordingly, the figures differ from the balances indicated in the relevant Summary of Financial Results and Securities Report.



Mid-term Management Plan

1. Further Expanding Market

Penetration of DX to increase wholesale EC ratio (5%) and receivables guarantees (1%), resulting in forecast **market growth of several times**

2. Expanding Market Share

In addition to expansion in number of customers, improve LTV (value per customer and repeat purchase ratio) to plan for **net sales growth of CAGR+17%**

3. Improving Margin

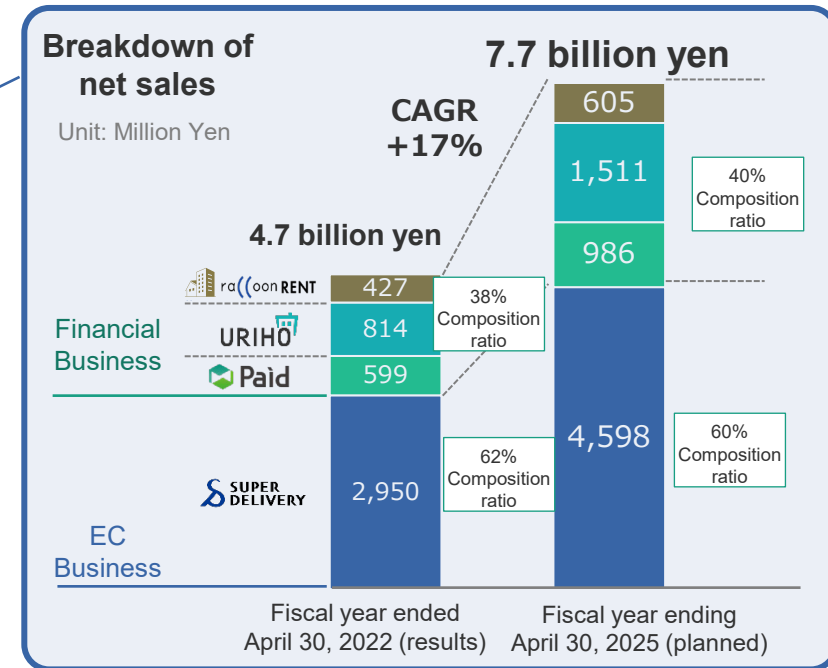
While increasing investment in each business that is in the growth phase, plan to **improve operating margin to 30%** (+6.5pt) and **grow operating income by CAGR+27%**

Mid-term Business Targets for Key Indices

Sales growth in all businesses. Operating income growth of CAGR+27% by improving margin

- Aim to improve operating income margin while investing in growth against backdrop of high marginal income ratio (over 70%)
- Assertive shareholder returns with a goal of 25% ROE

	Fiscal year ended April 30, 2022 (results)	Fiscal year ending April 30, 2025 (planned)	Growth rate
Net sales	4,789 million yen	7,700 million yen	CAGR +17%
Operating income	1,126 million yen	2,310 million yen	CAGR +27%
Operating margin	23.5%	30.0%	+6.5pt
ROE	6.7%*1 (13.6% excluding extraordinary losses)	25.0%	+18.3pt (+11.4pt)

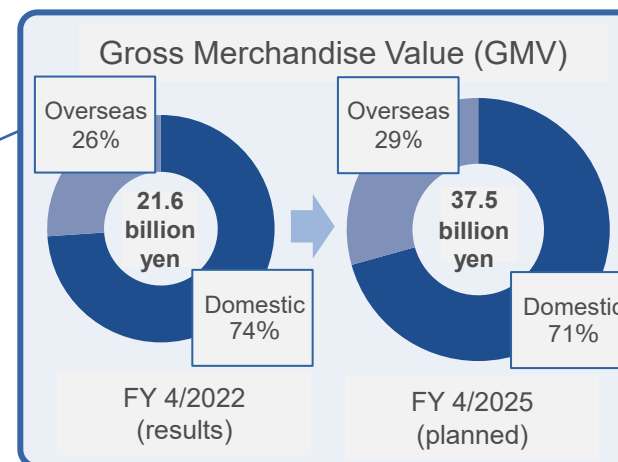


*1 Temporary decline in ROE due to impairment of investment securities and goodwill

GMV Growth target of CAGR+20%

- Continue advertising investment and expanding range of products to maintain growth of buying customers
- Aim for improving value of transactions per buying customer by realizing low cost of sales promotion, etc.
- GMV growth rate is higher for Overseas, gradually expanding Overseas share within SD

	FY 4/2022 (results)		FY 4/2025 (planned)	CAGR
Gross Merchandise Value (GMV)	21,687 million yen	➔	37,500 million yen	+20%
Domestic	16,033 million yen	➔	26,500 million yen	+19%
Overseas	5,654 million yen	➔	11,000 million yen	+25%
Buying customers	26,294 stores (Q4)	➔	40,000 stores (Q4)	+15%
Value of transactions per customer	221,389 yen (Q4)	➔	257,000 yen (Q4)	+5%



Aim for +18% CAGR growth in net sales based on growth of transaction volume

- Improve transaction volume and net sales by targeting registration of certain business types with a high value of transactions per member company

	FY 4/2022 (results)		FY 4/2025 (planned)	CAGR
Transaction volume (Member companies × Value of transactions per member company)	25,600 million yen	➔	42,128 million yen	+18%
Net sales	598 million yen	➔	985 million yen	+18%

* Transactions within the Group are omitted

Aim for growth of +32% CAGR for guarantee balance and +23% CAGR for net sales

- Increase guarantee balance by adding more member companies, leading to growth in net sales

	FY 4/2022 (results)		FY 4/2025 (planned)	CAGR
Guarantee balance (Number of member companies X Guarantee amount)	30,755 million yen	➔	70,000 million yen	+32%
Net sales	814 million yen	➔	1,511 million yen	+23%



ESG Information

ESG Information: Basic Sustainability Policy

Corporate Philosophy

Making corporate activities more efficient and convenient

Providing business infrastructure to support a wide range of transactions

Basic Policy

Solving social issues through business

We will strive to improve corporate value by appropriately managing and minimizing risks inherent in our business operations and maximizing business opportunities

Furthermore, we will contribute to the realization of a sustainable global environment and society together with our stakeholders



Identify materiality (important issues) to conduct specific actions and formulate KPIs





Disclaimer

- Opinions and estimates contained in this document are based on the judgement of the Company at the time of preparation and may include inaccuracies.
- Actual decisions and results may differ due to various changes in the business environment.