



**FY 4/2023 (ending April 2023)**  
**Q3 Financial Results**

February 28, 2023

RACCOON HOLDINGS, Inc. Code: 3031 TSE Prime Market

# FY 4/2023 Q3 Results

Although the growth rate was relatively low in Q3 under review due to short-term fluctuations in GMV growth rate in the EC business, the direction of business expansion triggered by COVID-19 through the improvement of the external environment was unchanged. High growth remained stable in the Financial business.

- Net sales increased by 11.2% year on year and operating income increased by 7.0% year on year.
- Net sales by segment grew in the EC business (+7.6% YoY) and the Financial business (+17.0% YoY).  
The gross merchandise value in the EC business increased by 11.0% year on year with continued double-digit growth amid a tug-of-war between negative factors both domestic and overseas.  
The business environment for the Financial business continued to be favorable with a continued high growth rate, due to favorable effects from the digital transformation (DX) for billing operations and other factors. Advertising and sales promotion expenses increased due to strategic investment; however, segment profit continued to show double-digit growth both in the EC business (+12.0% YoY) and Financial business (+18.3% YoY).
- Although holdings cost increased with a focus on personnel expenses due to the enhancement of development resources, it was offset by double-digit growth in the EC business and the Financial business, resulting in an increase of 7.0% year on year in operating income.
- The Company recorded in Q2 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.

## Super Delivery in the EC business

### Domestic

The eighth wave of COVID-19 arrived amid concerns on a decline in consumer willingness to spend due to soaring prices. However, both the number of buying customers and value of transactions per customer increased as there were no restrictions on activities. Domestic GMV grew to 12,913 million yen (+10.5% YoY).

### Overseas

GMV in the U.S., a key region, continued to significantly grow. The share of GMV in the U.S. was close to double-digit growth with an expansion from 6.7% to 9.1%. In Greater China, where GMV accounts for a large portion, as the Chinese New Year was moved up to Q3 this year (it fell on Q4 in the previous fiscal year), this difference resulted in the limitation of GMV growth rate. Furthermore, GMV in Hong Kong was affected by impacts of lockdowns and tighter regulations such as restrictions on activities following the spread of COVID-19 infections in China. As a result, overseas GMV increased to 4,647 million yen (+12.5% YoY).

## Financial business

### Paid

Demand for services continued to increase due to continued favorable effects from the recovery of domestic economy and the DX for billing operations. The number of member companies steadily increased, and transaction volume of DX-related member companies also increased. Transaction volume grew by 21.6% year on year and net sales continued to increase by 22.7% year on year, a growth rate in excess of 20%.

### URIHO

The number of new applications continued to increase. Guarantee balance also steadily accumulated due to the steady increase in the number of cases. Net sales continued to show double-digit growth at +17.9% year on year.

### Rent guarantee

Guarantee balance remained strong. Net sales continued to show steady growth at a 7.6% increase year on year.

The rate of cost of sales has been on a rising trend due to the ongoing relaxation of credit screening criteria. Credit screening has been controlled appropriately, and it is the Company's understanding that the rate of cost of sales is almost approaching the appropriate levels of before the COVID-19 pandemic.

## Continued double-digit growth in net sales

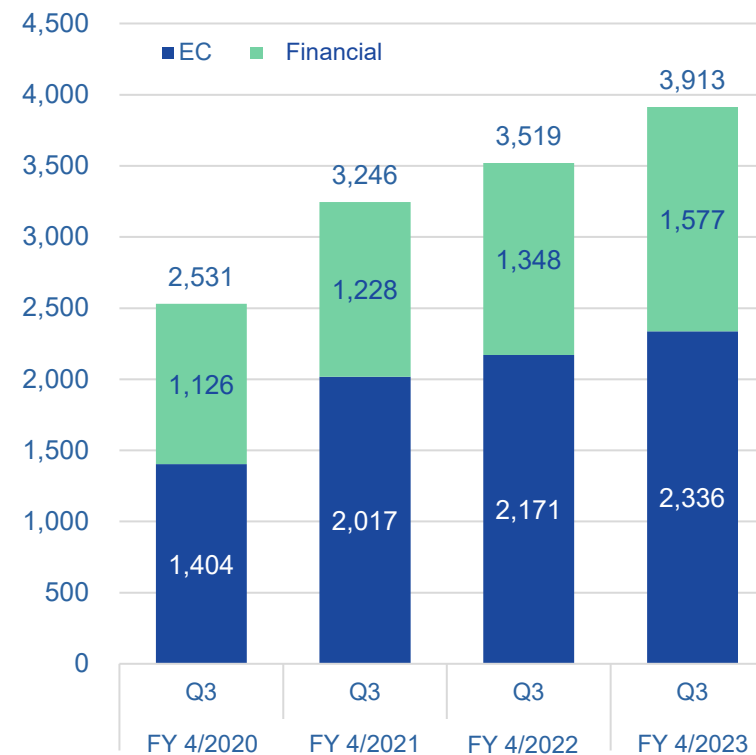
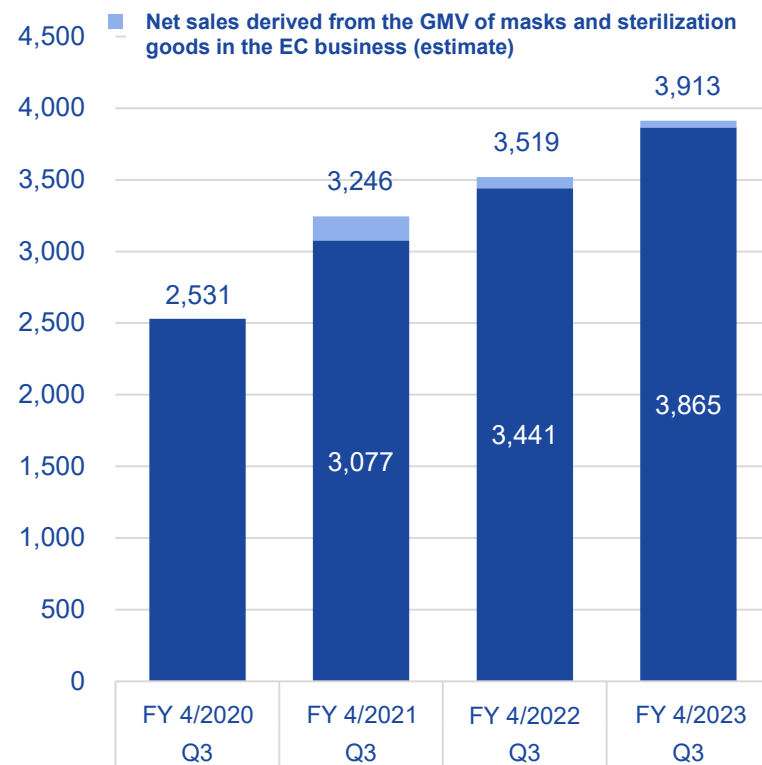
(Unit: Million Yen)

	FY 4/2023 Q3	FY 4/2022 Q3	YoY	Earnings forecasts
Net sales	3,913	3,519	11.2%	5,500
Operating income	892	834	7.0%	1,300
Operating margin	22.8%	23.7%	-0.9pt	23.6%
Ordinary income	913	823	10.9%	1,300
Net income attributable to owners of parent	570	296	92.3%	810
Net sales of the EC business	2,336	2,171	7.6%	
Segment profit of the EC business	946	844	12.0%	
Net sales of the Financial business	1,577	1,348	17.0%	
Segment profit of the Financial business	394	333	18.3%	

# Net Sales Analysis

Growth rate in the Financial business increased (EC: +7.6%, Financial: +17.0%), driving overall growth, and growth rate increased by 11.2%, up 2.7pts year on year

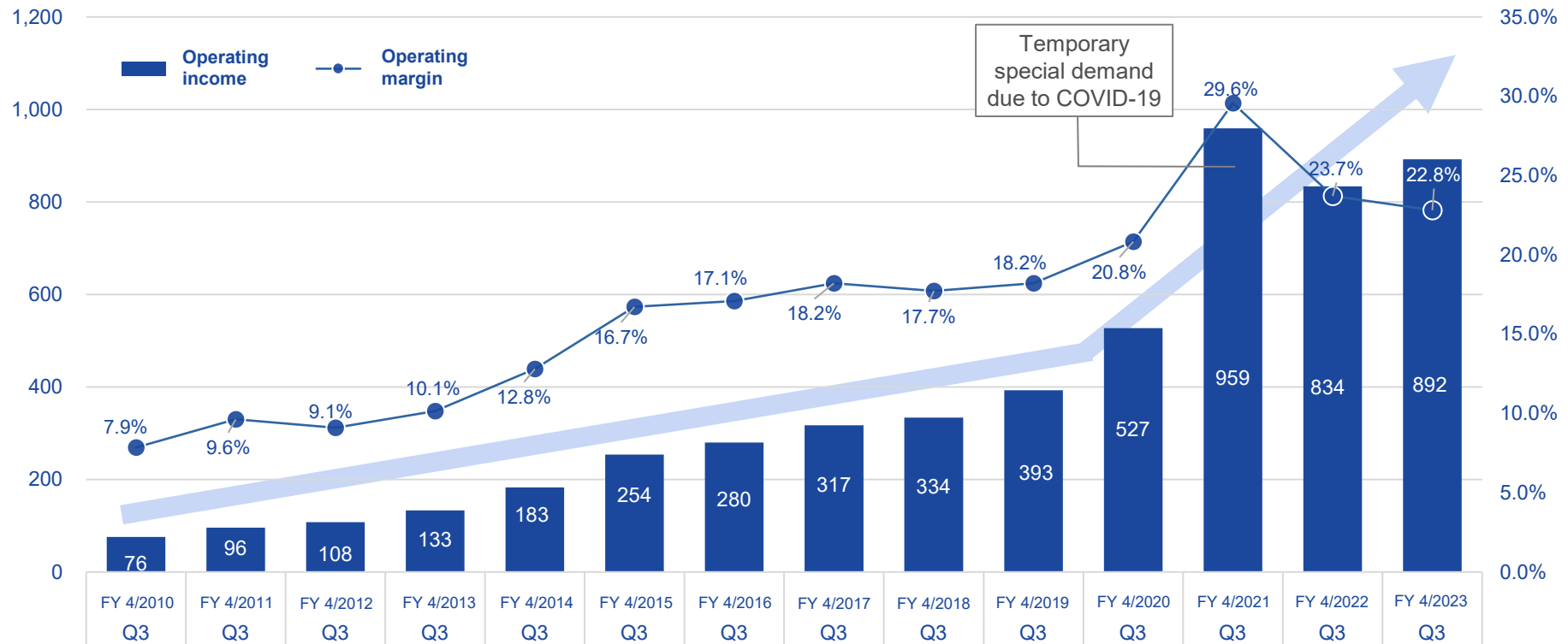
(Unit: Million Yen)



# Operating Income Analysis (1)

While advertising and sales promotion expenses and personnel expenses increased strategically, operating margin decreased by 0.9pts year on year and operating income increased by 7.0% year on year

(Unit: Million Yen)

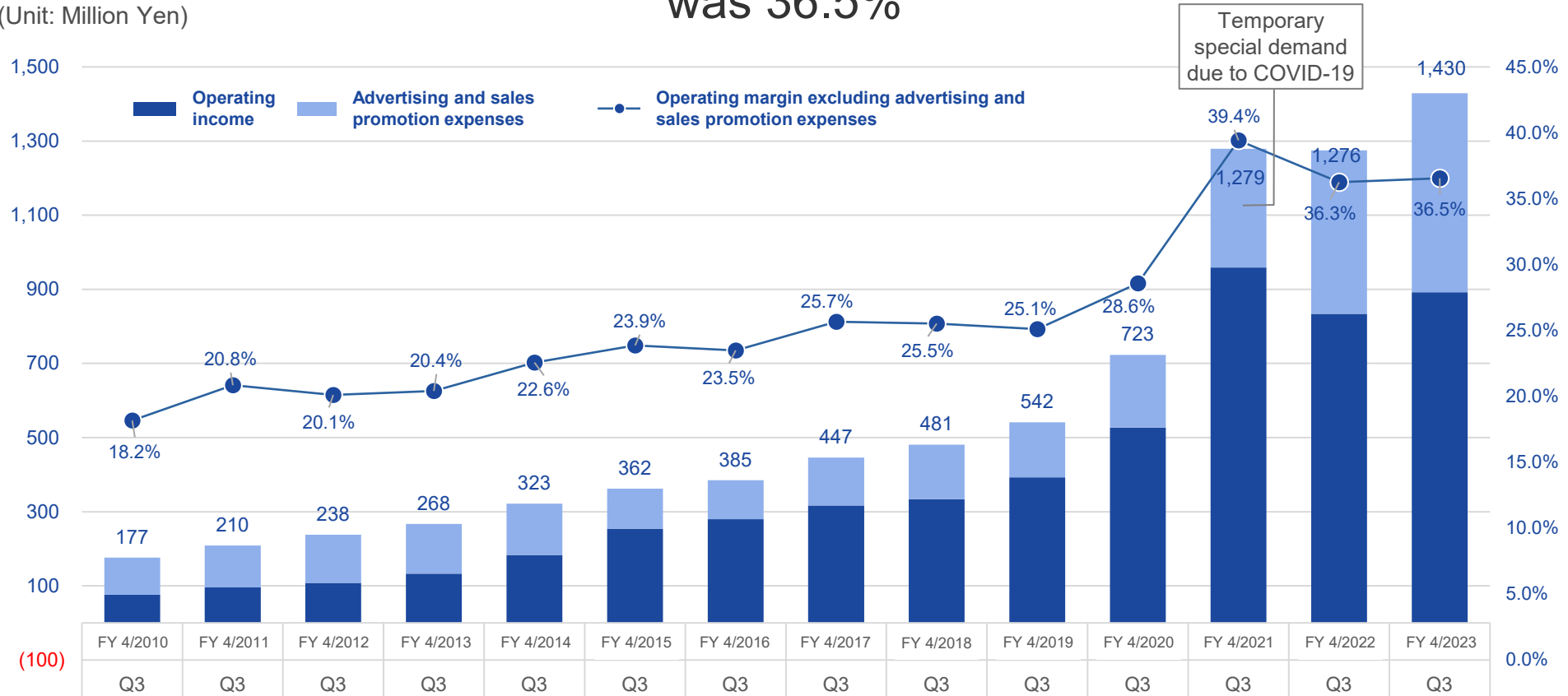


# ((( (Reference) Changes in Operating Income Excluding Advertising and Sales Promotion Expenses

Operating income excluding advertising and sales promotion expenses increased by 12.1% year on year

Operating margin excluding advertising and sales promotion expenses was 36.5%

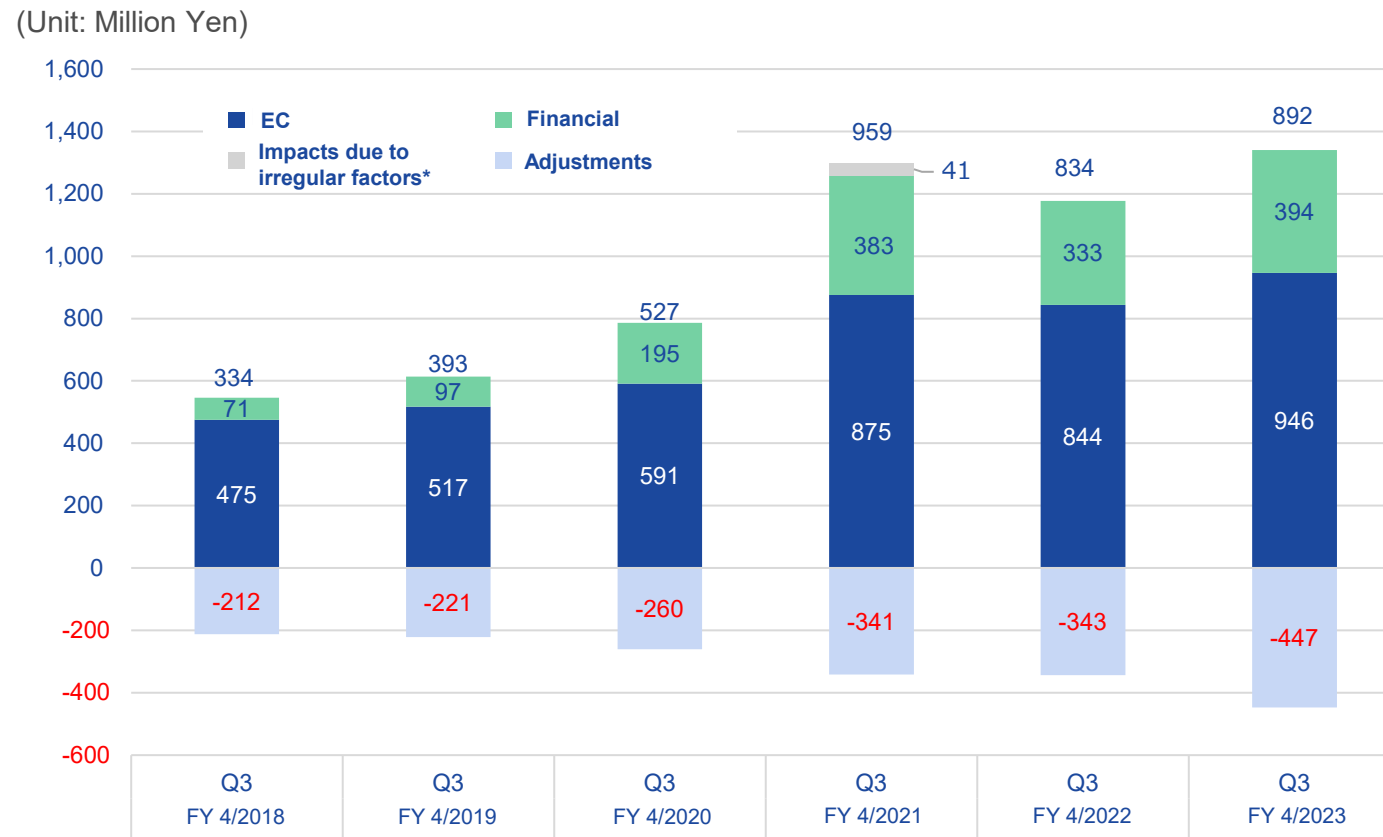
(Unit: Million Yen)





## Operating Income Analysis (2)

Profit increased both in the EC business and Financial business  
 Increase in adjustments due to the enhancement of development resources  
 was offset

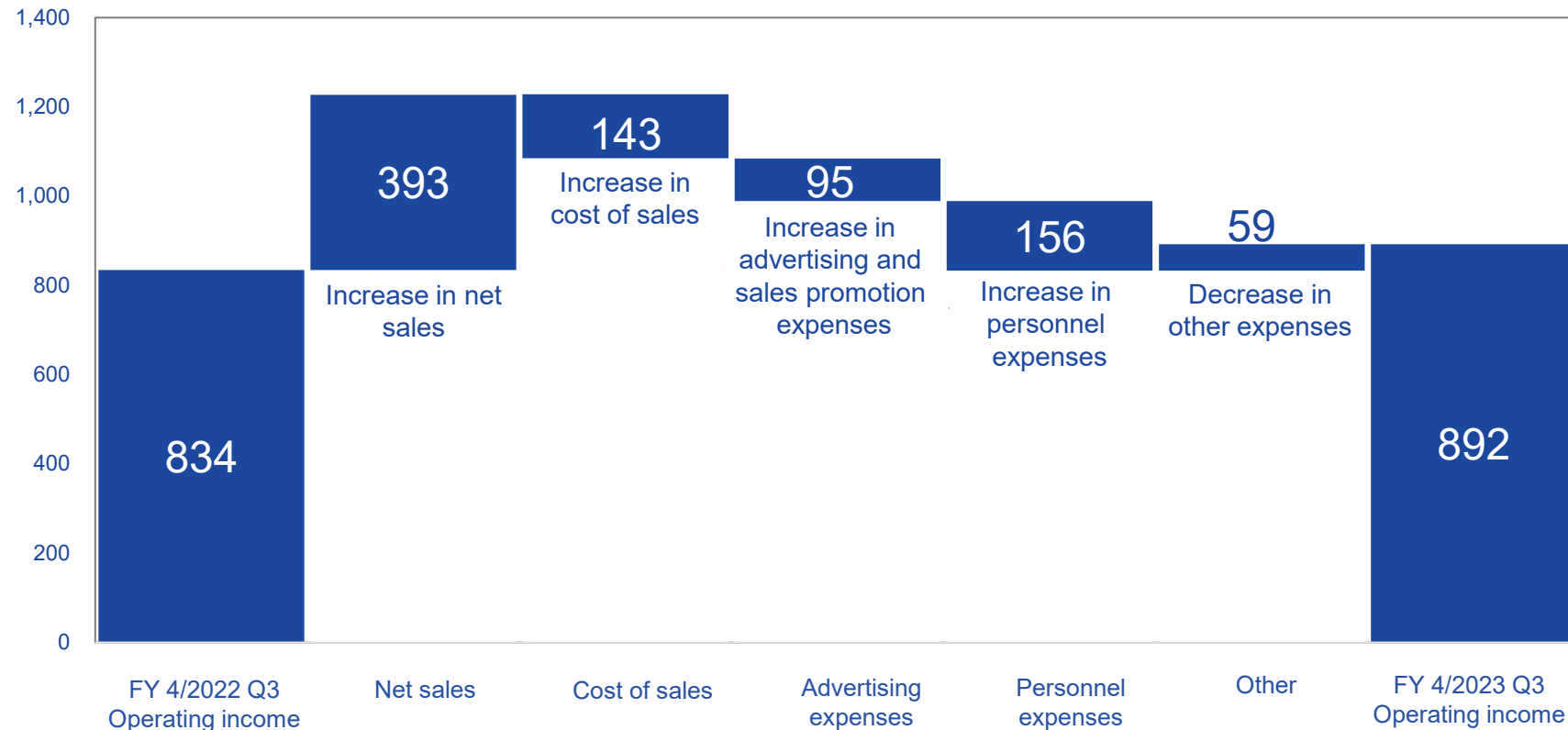


\* Profit from irregular factors due to the partial reversal of allowance for guarantees, allowance for claim compensation, and allowance for doubtful accounts, which totaled 41 million yen in preparation for the possibility that the COVID-19 infections would be prolonged in FY 4/2020 Q4.

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

Increase of advertising and sales promotion expenses and personnel expenses associated with strategic investments  
Operating income was 892 million yen (+7.0% YoY)

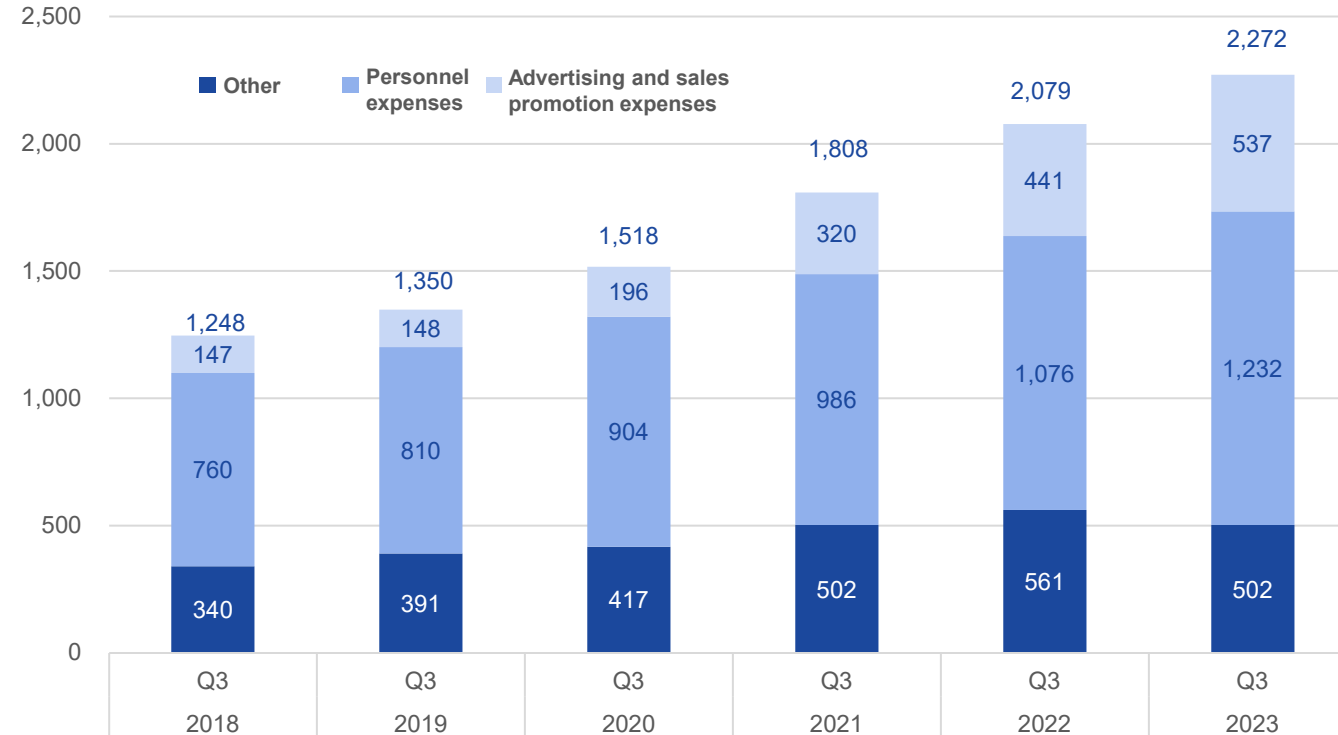
(Unit: Million Yen)



## Change in Composition of Expenses

Increase of advertising and sales promotion expenses (+21.7% YoY) and personnel expenses (+14.6% YoY) associated with strategic investments. Other expenses were limited with a 10.6% decrease year-on-year due to an improvement in borne shipping costs of overseas gross merchandise value in EC business

(Unit: Million Yen)



# Financial Position

(Unit: Million Yen)

	FY 4/2023 Q3	FY 4/2022	Difference	Compared with the end of the previous fiscal year
Current assets	11,299	11,796	-497	95.8%
Non-current assets	2,353	2,264	88	103.9%
- Property, plant and equipment	1,427	1,436	-9	99.3%
- Intangible assets	367	336	30	109.2%
- Investments and other assets	558	490	67	113.8%
Current liabilities	7,300	7,629	-328	95.7%
Non-current liabilities	1,034	1,066	-32	97.0%
Net assets	5,317	5,364	-47	99.1%
Total assets	13,652	14,060	-408	97.1%



# Summary by Segment

		YoY
Segment sales	2,336 million yen	+7.6%
Segment profit	946 million yen	+12.0%

		YoY
Domestic gross merchandise value	12,913 million yen	+10.5%
Overseas gross merchandise value	4,697 million yen	+12.5%
Overall gross merchandise value	17,611 million yen	+11.0%

#### In terms of sales

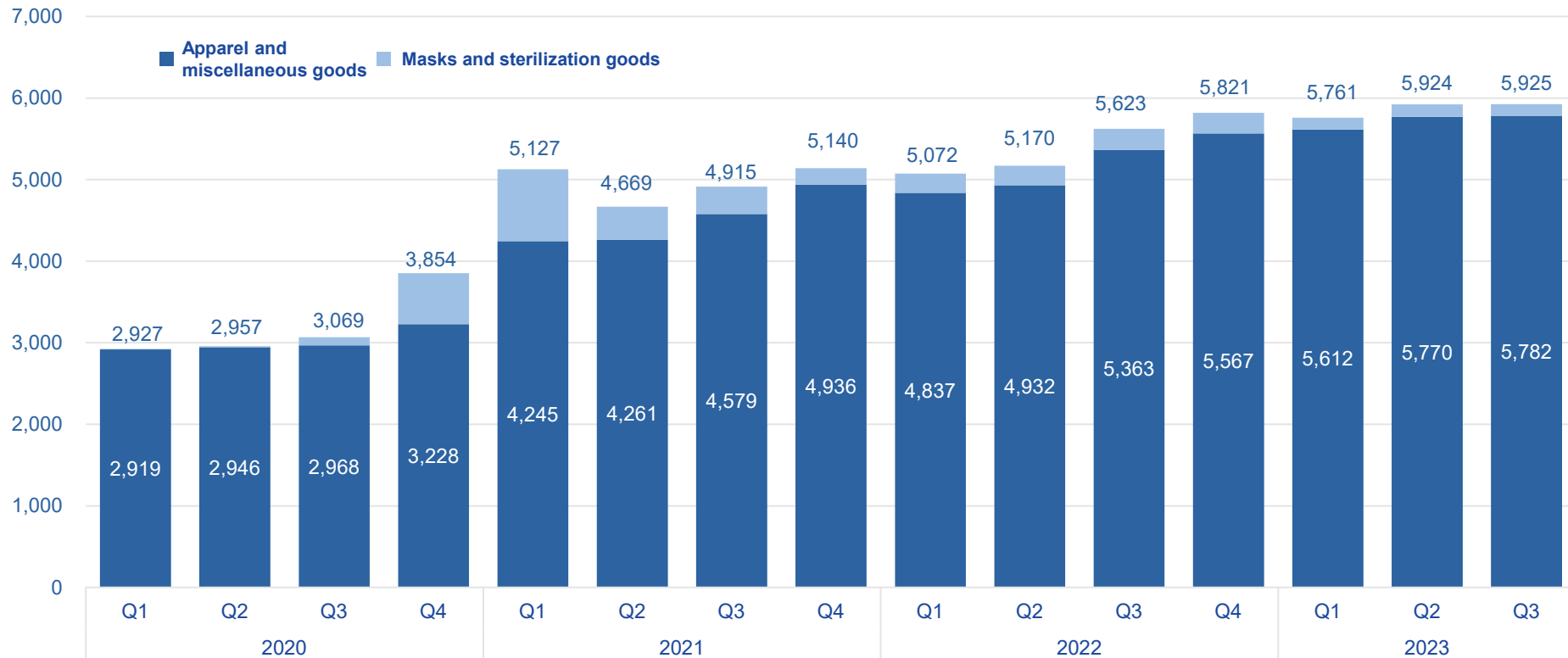
- Domestically, despite concerns about soaring prices and the impact of the eighth wave of COVID-19, both the number of buying customers and value of transactions per customer increased as there were no restrictions on activities, resulting in an increase of 10.5% year on year in the gross merchandise value.
- Overseas, in Greater China, where GMV accounts for a large portion, as the Chinese New Year was moved up to Q3 (it fell on Q4 in the previous fiscal year), this difference resulted in the limitation of GMV growth rate. On the other hand, GMV in the U.S., a key region, significantly grew and the gross merchandise value increased by 12.5% year on year.

#### In terms of expenses

- Although other expenses decreased by 32.1% year on year due to an improvement in borne shipping costs of overseas gross merchandise value, advertising and sales promotion expenses increased by 22.8% year on year due to the strengthening of promotional activities such as a point and coupon system, and personnel expenses increased by 18.7% year on year, resulting in an increase of 12.0% year on year in segment profit.

The gross merchandise value of apparel and miscellaneous goods in Q3 showed continued steady performance with an increase of 7.8% year on year

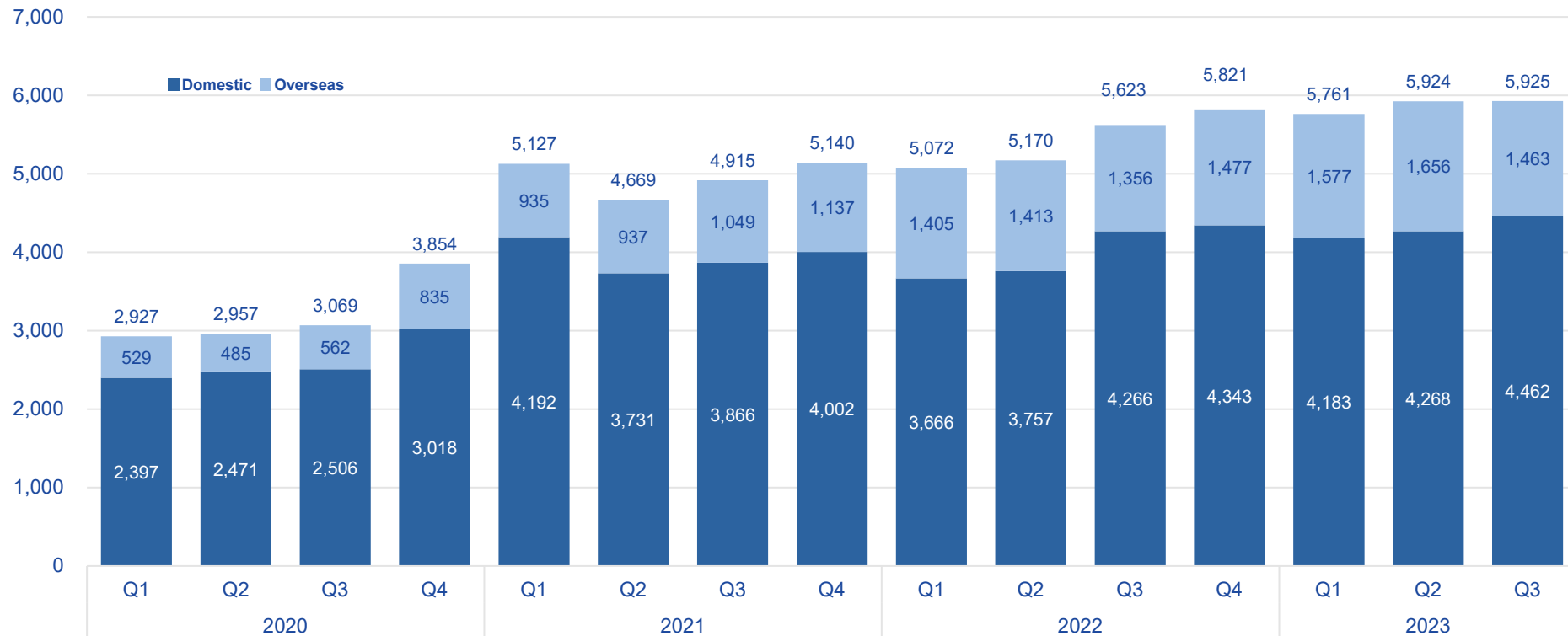
(Unit: Million Yen)



## ((( Trends in SUPER DELIVERY Gross Merchandise Value (2)

Increase in GMV both domestic and overseas  
 (Domestic: +4.6% YoY, overseas: +7.9% YoY)  
 Overall growth was +5.4%

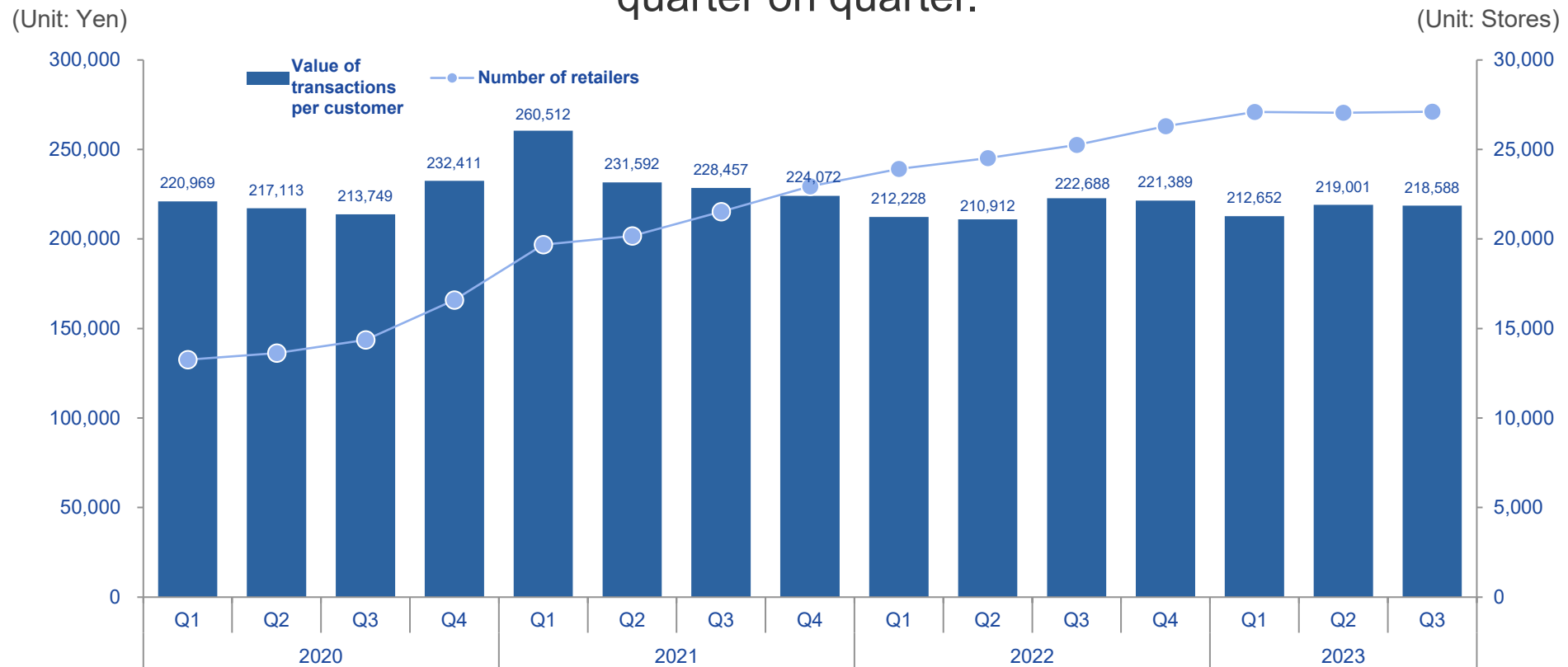
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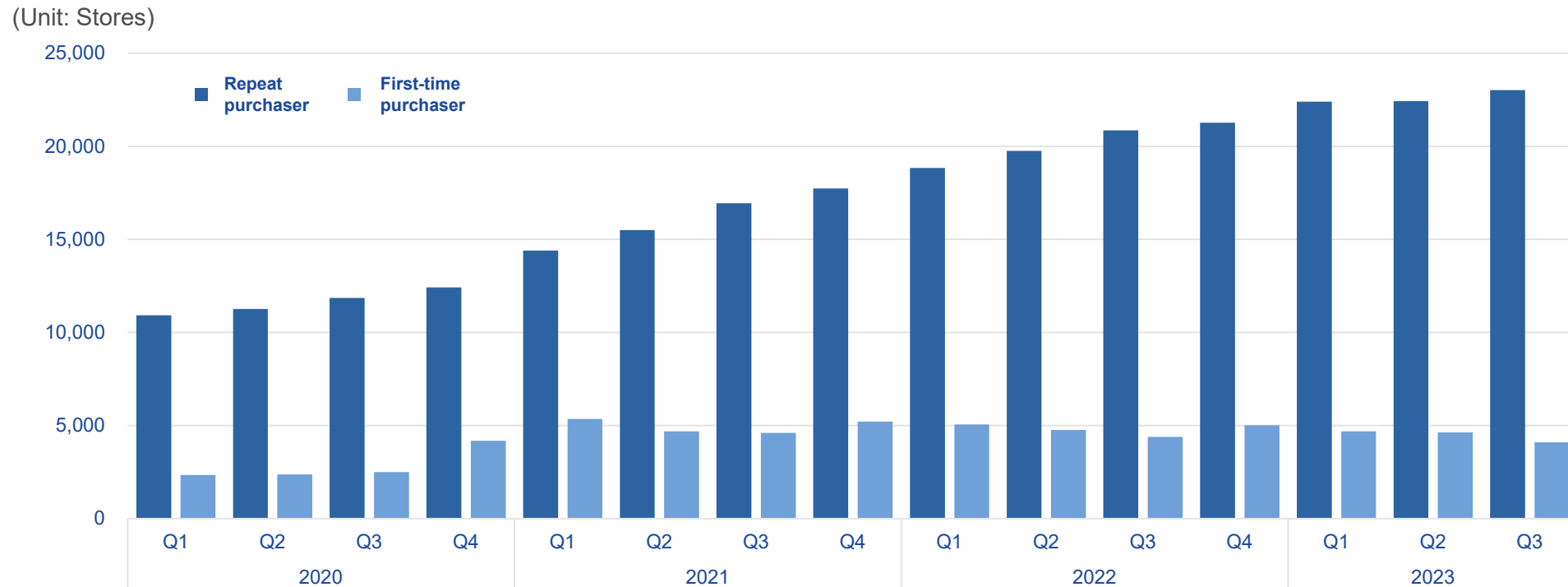


EC Business **No. of Buying Customers and Value of Transactions Per Customer**

Domestically, both the number of buying customers and value of transactions per customer increased quarter on quarter. As for overseas, in Greater China, where GMV accounts for a large portion, as the Chinese New Year was moved up to Q3, both the number of buying customers and value of transactions per customer remained flat quarter on quarter.

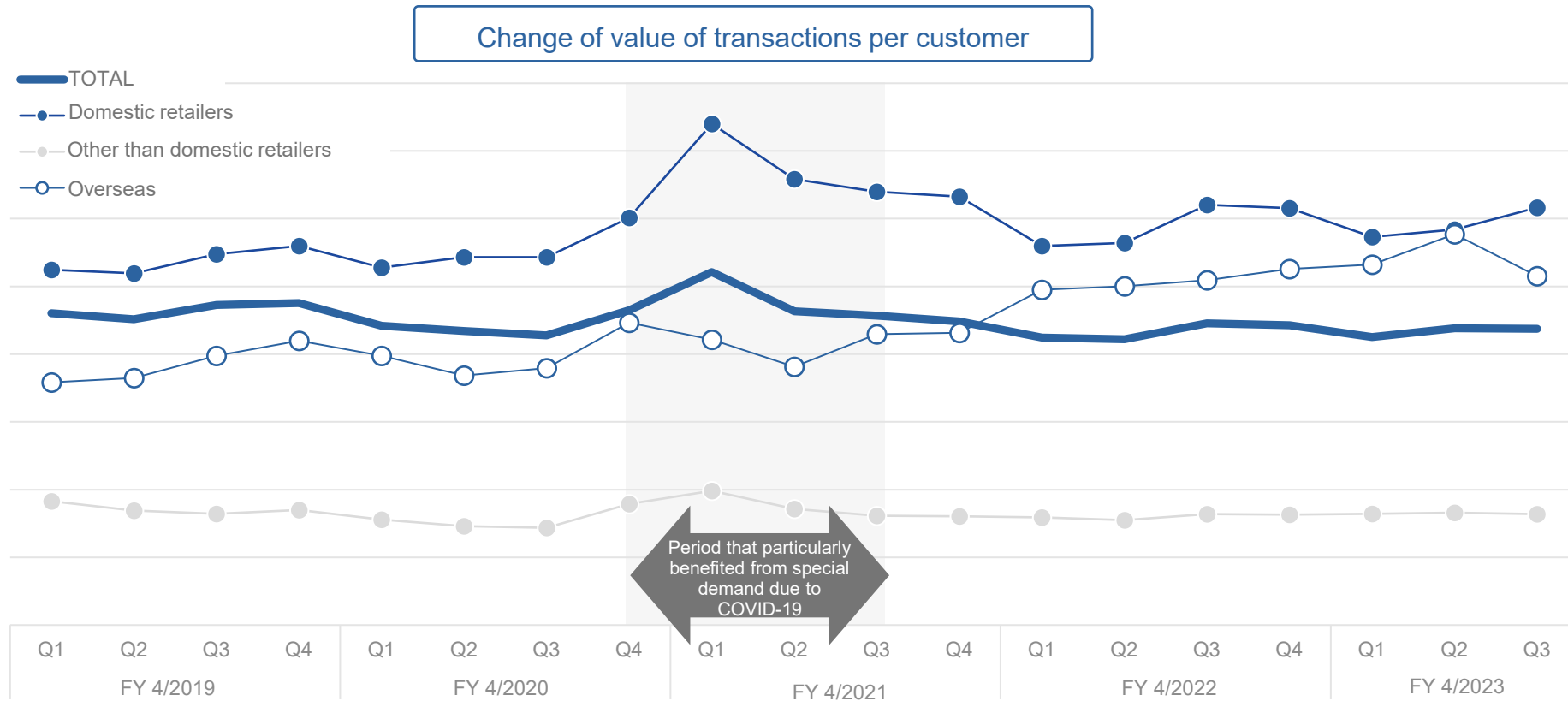


Number of repeat purchasers steadily accumulated in Q3, whereas it remained flat in Q2  
 Number of first-time purchasers decreased due to a decrease in registered customers flowing in through organic search. Working on SEO for higher inflow rate from Q4

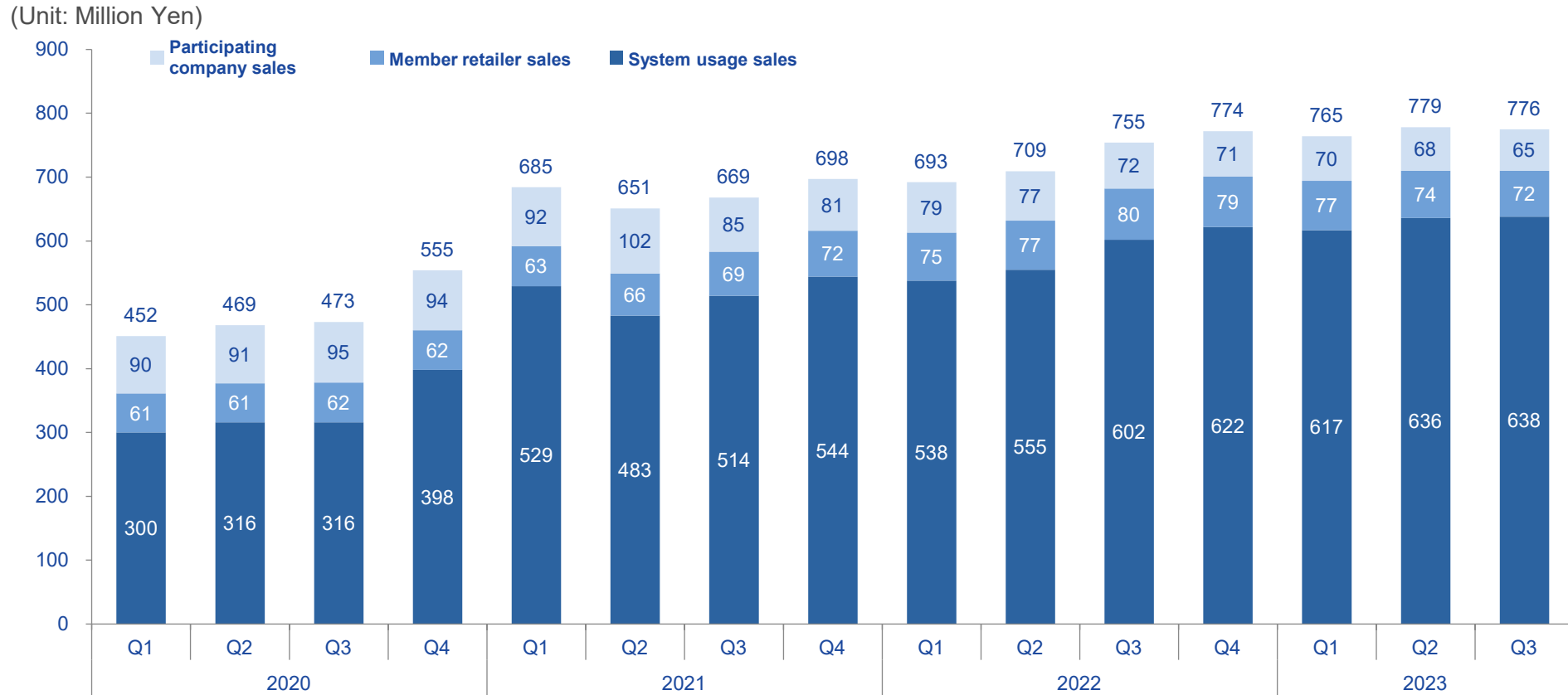


\* First-time purchasers are business operators who made purchases for the first time during the quarter. Those who made additional purchases during the same quarter after their initial purchase are counted as first-time purchasers.

Despite rising value of transactions per customer for domestic retailers, overseas value of transactions per customer significantly declined, because, in Greater China, where GMV accounts for a large portion, the Chinese New Year was moved up to Q3. As a result, the overall value of transactions per customer remained flat



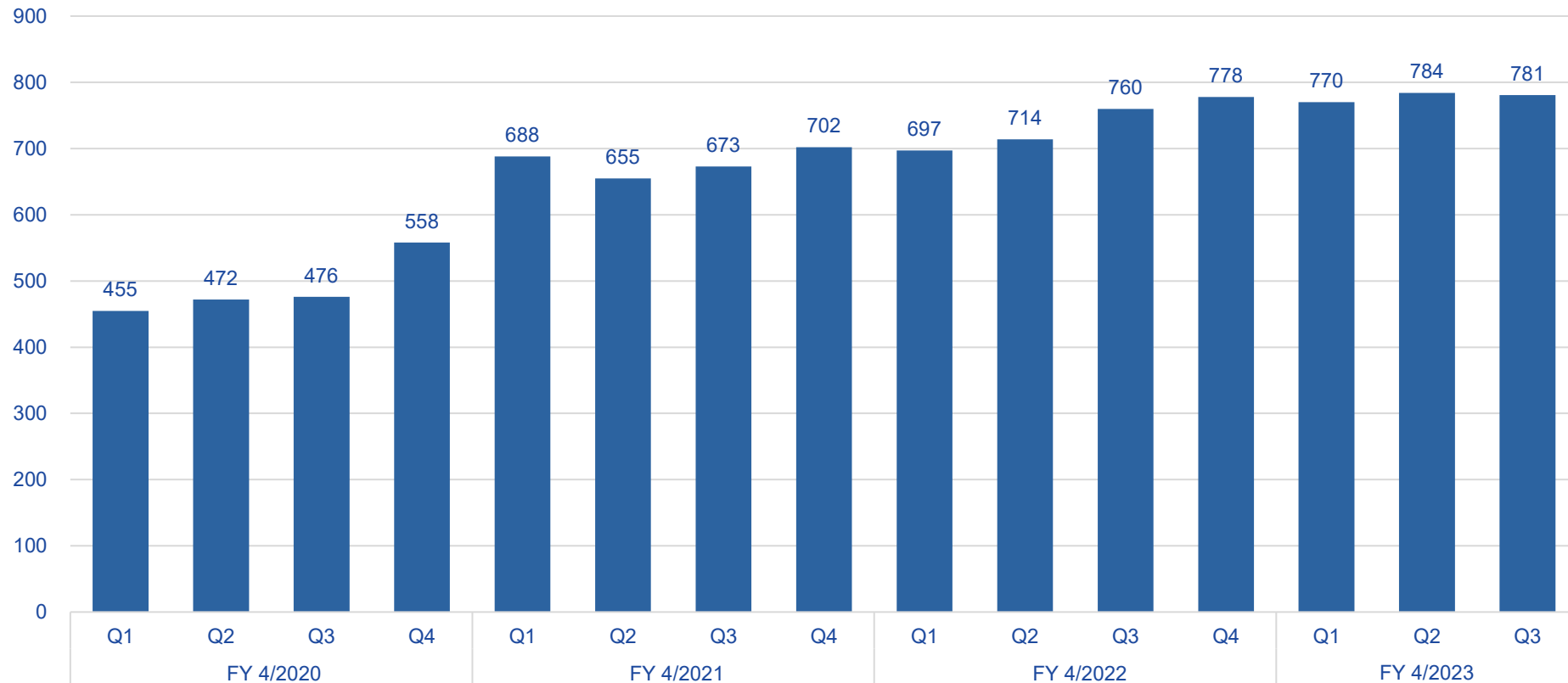
System usage sales steadily increased due to the increase in gross merchandise value



\* 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 2.9% year on year

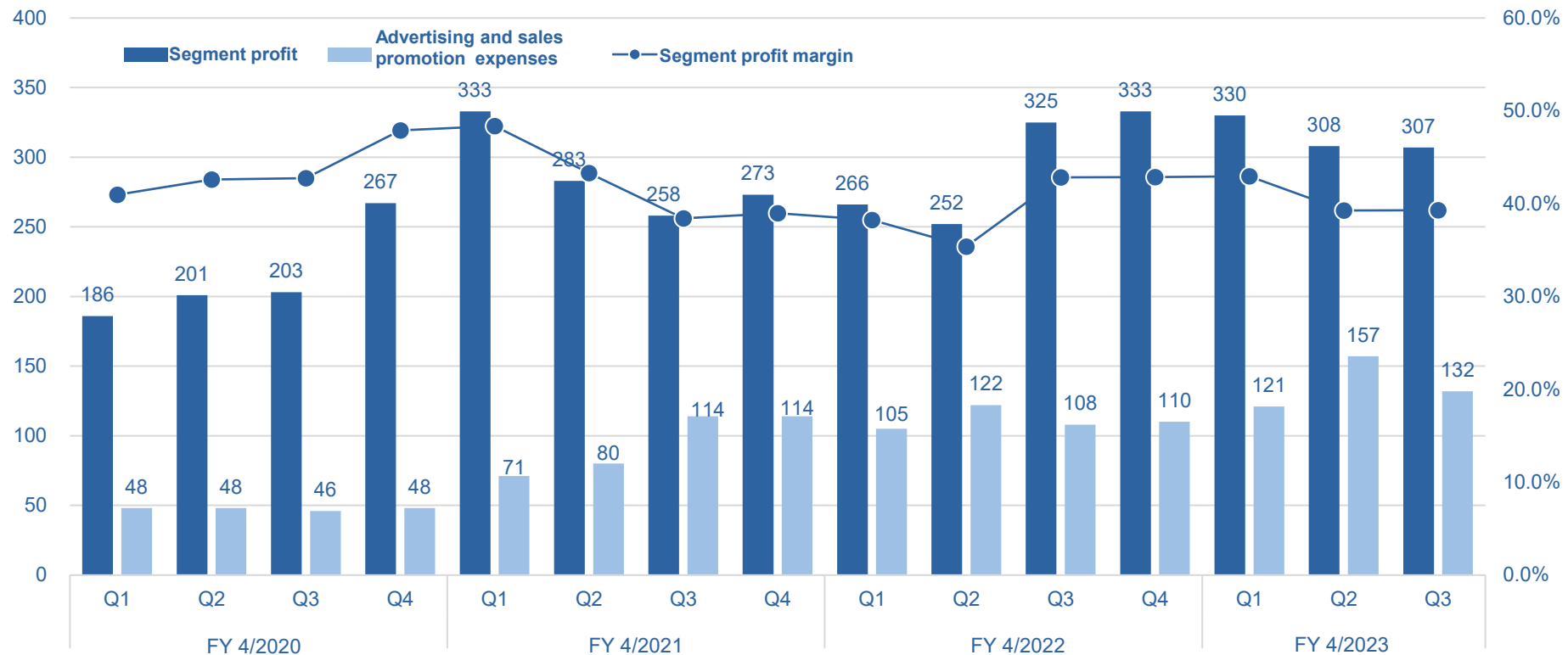
(Unit: Million Yen)



## Trends in Segment Profit by Quarter




Advertising and sales promotion expenses increased by 22.4% year on year due to the strengthening of a point and coupon system, and segment profit decreased by 5.6% year on year

(Unit: Million Yen)



		YoY
Segment sales	1,778 million yen	+17.1%
Segment profit	394 million yen	+18.3%

**In terms of sales**

Guarantee	Guarantee balance steadily increased 30.9% compared with the end of the previous fiscal year		+17.9%
Payment	Continued steady increase in transaction volume, resulting in a year-on-year increase of 21.6%	 <small>*Comparison excluding internal sales</small>	+22.7%
Rent guarantee	The guarantee balance continued to steadily accumulate		+7.6%
			<b>YoY</b>

**In terms of expenses**

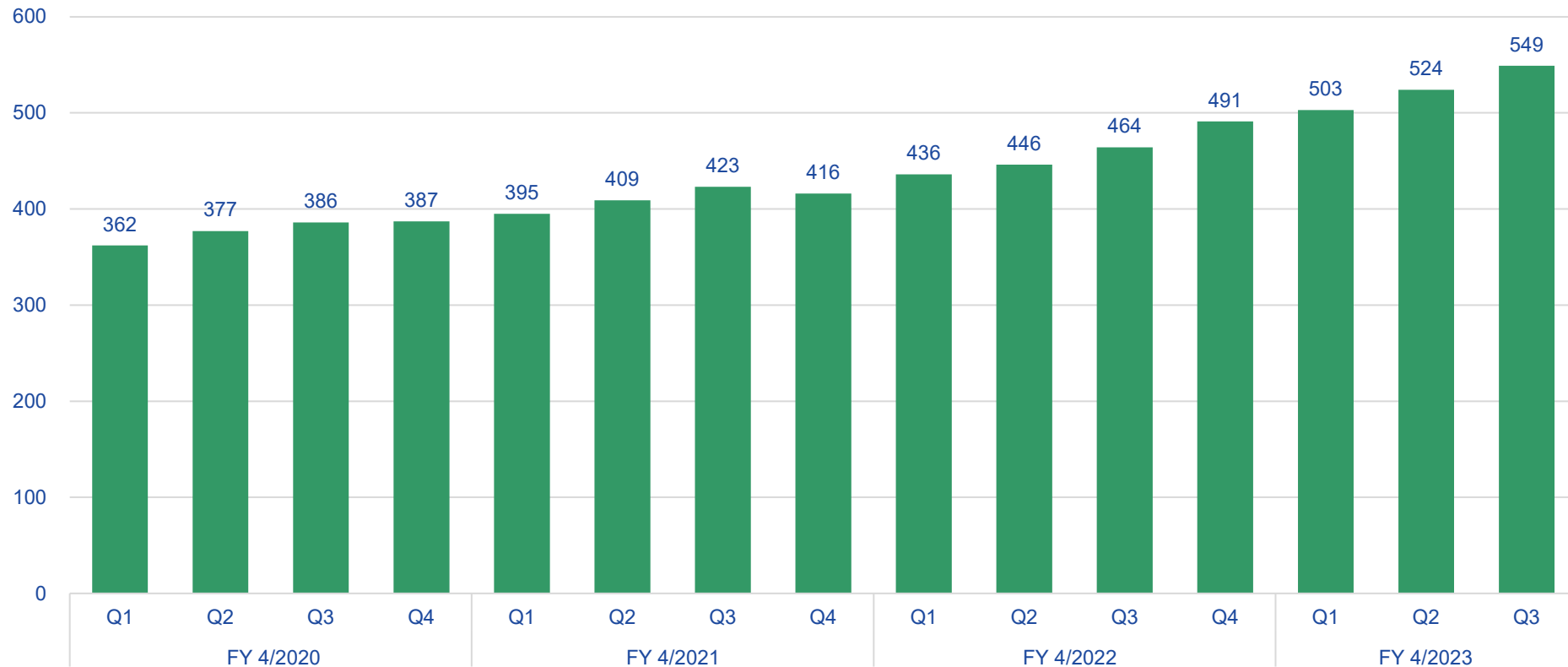
- The rate of cost of sales has been on a rising trend due to the ongoing relaxation of credit screening criteria. The Company is understanding that the rate of cost of sales is almost approaching the appropriate levels of before the COVID-19 pandemic under appropriate credit screening control and will continue to provide services without tightening the criteria.
- +
- Advertising expenses increased 26.5% year on year as a result of strengthening of promotions.

Segment profit was up 18.3% year on year  
Segment profit margin was maintained over 20% at 22.2%.

Double-digit growth of URIHO and “Paid” drove sales growth in the Financial business

Net sales increased by 4.8% quarter on quarter and 18.3% year on year, showing continued double-digit growth

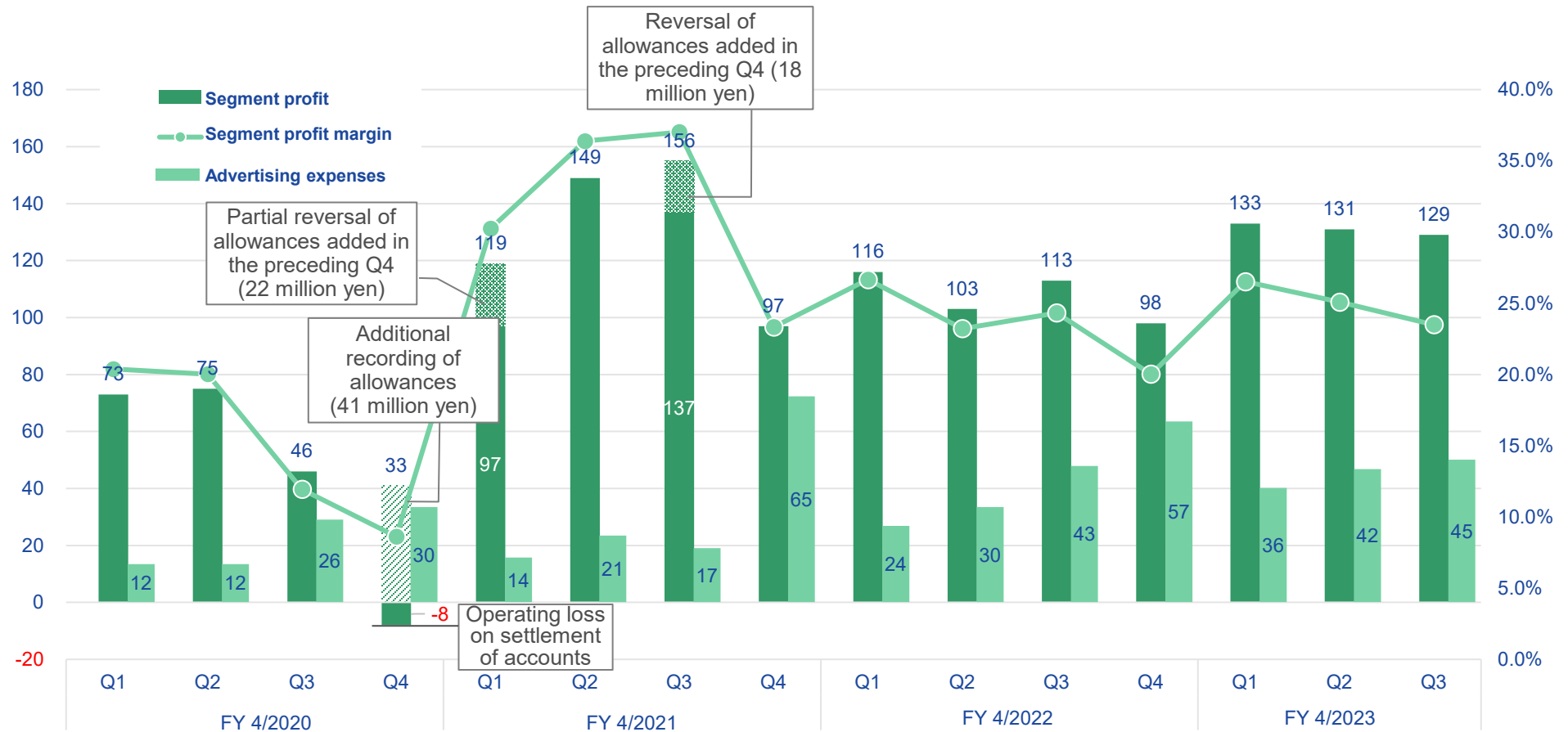
(Unit: Million Yen)



\*Inter-segment transactions are excluded.

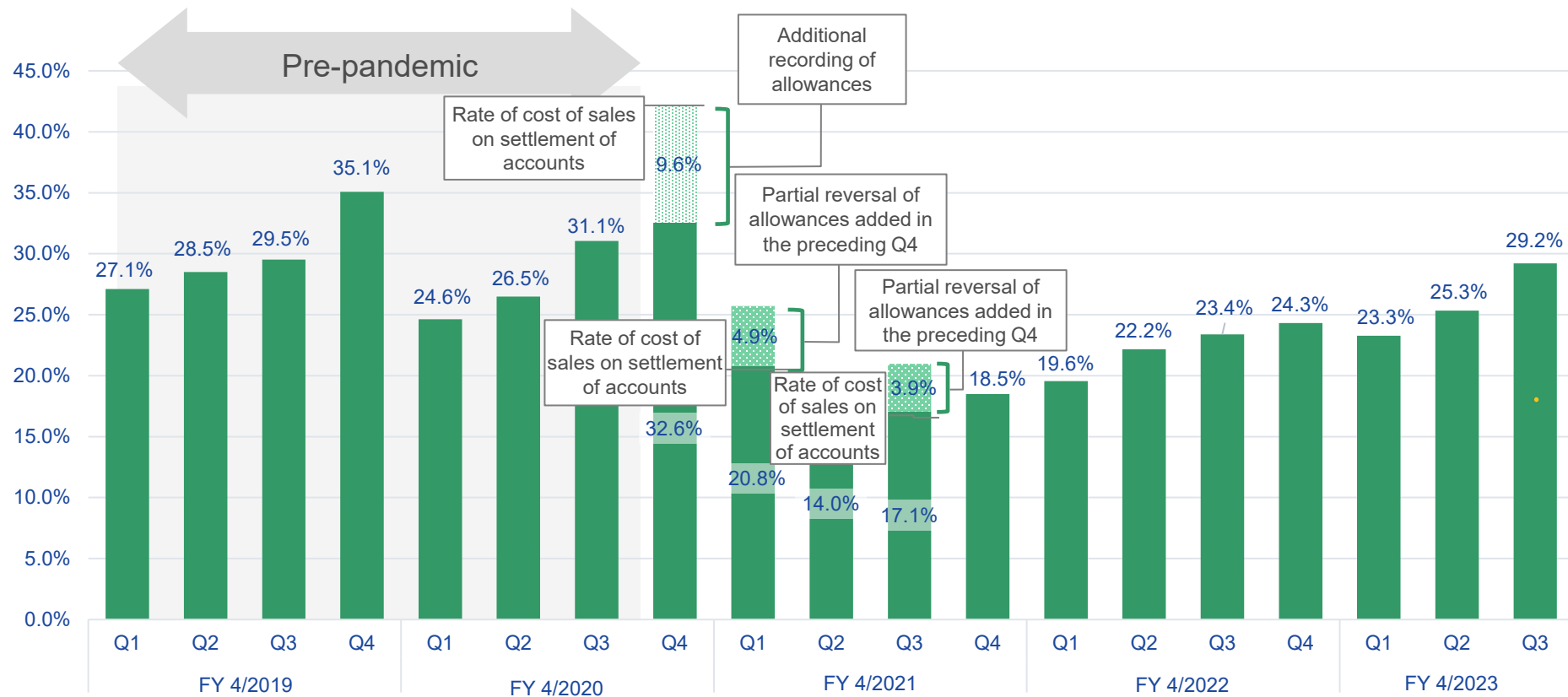


By achieving double-digit growth in net sales, quarterly segment profit increased by 14.3% year on year



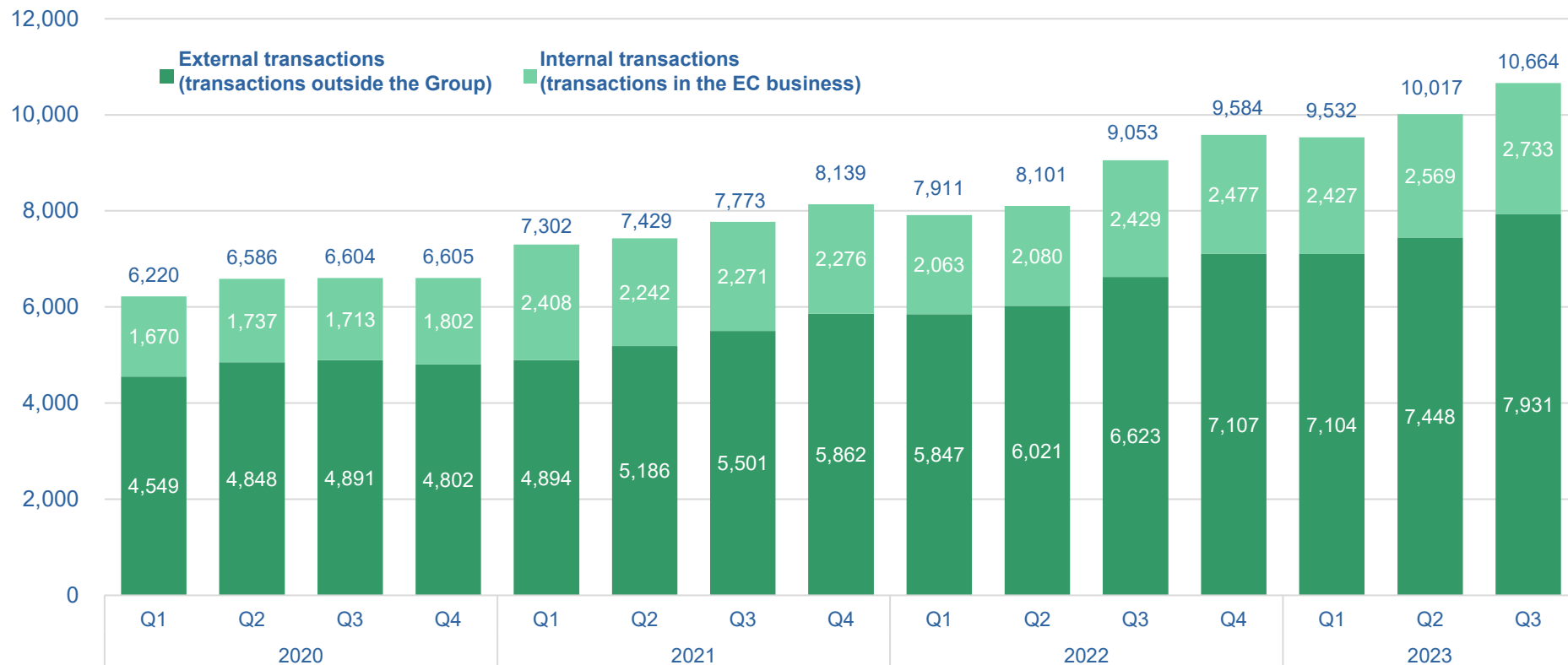
The rate of cost of sales is almost approaching the appropriate levels of before the COVID-19 pandemic under appropriate credit screening control

The Company will continue to provide services while maintaining the relaxation of credit screening criteria



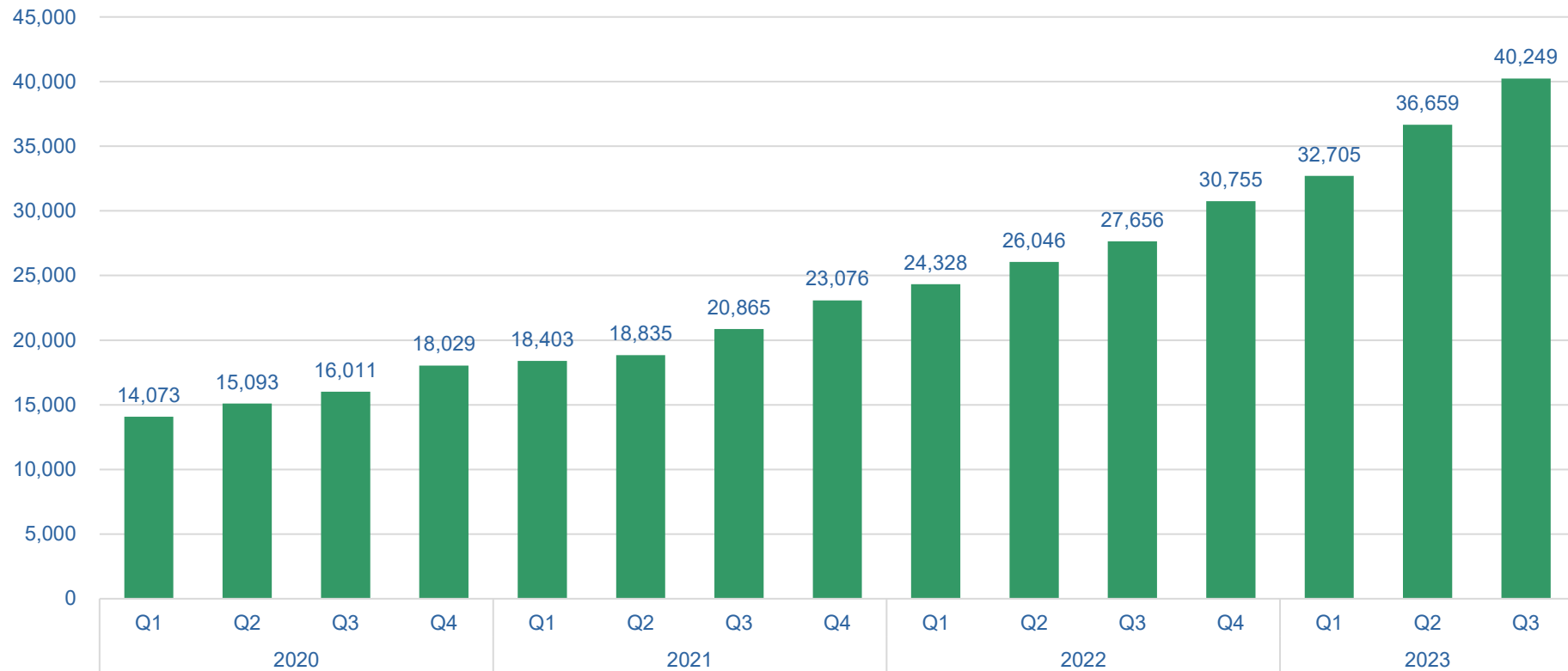
External transactions continued steady growth with an increase of 6.5% quarter on quarter and 19.7% year on year, partly due to increasing transactions of DX-related member companies

(Unit: Million Yen)



The guarantee balance steadily increased by 9.8% quarter on quarter and by 45.5% year on year

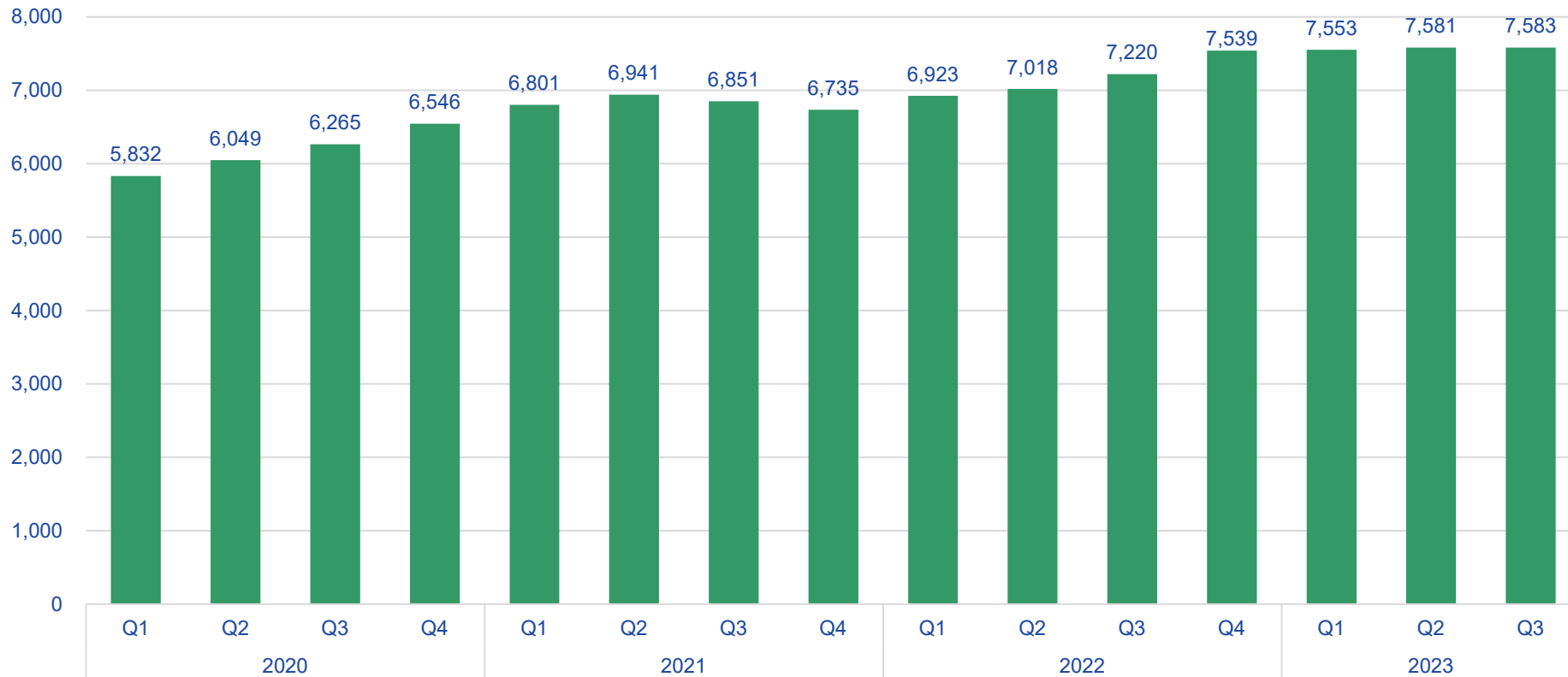
(Unit: Million Yen)





## 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.



# 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	3Q
EC	770,222	784,414	781,893
Financial	503,005	524,498	549,607
Total	1,273,227	1,308,913	1,331,500

# ((( 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	3Q
EC	330,732	308,053	307,239
Financial	133,418	131,575	129,173
Adjustment	-149,447	-146,806	-150,990
Total	314,702	292,821	285,421



# 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	3Q
System usage sales	617,971	636,012	638,985
Member retailer sales	77,118	74,468	72,464
Participating company sales	70,263	68,952	65,543
Total	765,353	779,432	776,992
Gross merchandise value	5,761,178	5,924,639	5,925,910

# 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	3Q
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	27,110
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	218,588

# 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	3Q
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	2,733,035
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	7,931,172
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	10,664,208

## 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	3Q
24,328,307	26,046,103	27,656,974	30,755,223	32,705,238	36,659,810	40,249,275

(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	3Q
6,923,983	7,018,401	7,220,875	7,539,978	7,553,101	7,581,199	7,583,965

\* 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.