



# Hamee Corp.

Q3 FY04/23

Results briefing materials

Reference only

In case of any discrepancies between Japanese version and English version,  
Japanese Language version shall prevail.

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# I. Executive Summary

# Executive Summary

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1

**Platform segment profit margin improved from 40.5% to 45.2% (Q3 YTD)**

2

**New Business and Global Business cover the decline in the top line of Mobile Life Business**

3

**Profitability of Global Business improved compared to the second quarter of the fiscal year despite a continued downtrend in profits due to continued upfront investment in New Business**

## II. Financial Results

# Changes in reportable segments

In accordance with the new management structure, reportable segments have been changed from the current fiscal year. The main changes are as follows.

All historical figures on the subsequent pages are the results of the revised segments.

	Commerce	Platform	Others
Previous period	Smartphone accessories (iFace, Salisty, etc.) Pixio ByUR Global Business	Next Engine Hamee consulting NE Korea	Hamic Localco (formerly Hometown Tax Payment) RUKAMO
Current fiscal year	Smartphone accessories (iFace, salisty, etc.) Pixio ByUR Global Business <b>change</b> Hamic <b>change</b> NE Korea ※	Next Engine Consulting (formerly Hamee consulting Corp.) <b>change</b> Localco (formerly Hometown Tax Payment) <b>change</b> RUKAMO	-

※ In the future, NE Kores will independently develop and develop services suitable for the Korean EC market under Hamee Global, while seeking new forms of services. To this end, it will compile and disclose data in the Commerce segment.

## Q3 FY04/23 Consolidated Overview

- Top-line growth compared to the previous year in the cumulative period despite the continuation of the same trend as in the second quarter accounting period.

(Millions of yen)

Consolidated Overview	Accounting period				Cumulative period			
	Q3 FY04/22 results	<b>Q3 FY04/23 results</b>	Increase /Decrease	% YoY	Q1-Q3 FY04/22 results	<b>Q1-Q3 FY04/23 results</b>	Increase /Decrease	% YoY
Net sales	4,030	<b>3,908</b>	△122	△3.0%	9,979	<b>10,542</b>	562	5.6%
Gross profit	2,509	<b>2,498</b>	△10	△0.4%	6,411	<b>6,496</b>	85	1.3%
Operating income	739	<b>595</b>	△144	△19.5%	1,874	<b>1,169</b>	△705	△37.6%
Net Profit attributable to owners of parent	504	<b>315</b>	△189	△37.6%	1,448	<b>814</b>	△634	△43.7%

## Q3 FY04/23 Segment Overview

- Improved profitability in Platform segment

(Millions of yen)		Accounting period				Cumulative period			
		Q3 FY04/22 results	Q3 FY04/23 results	Increase /Decrease	% YoY	Q1-Q3 FY04/22 results	Q1-Q3 FY04/23 results	Increase /Decrease	% YoY
Consolidated Segment Overview									
Commerce	Net sales	3,078	<b>2,860</b>	△217	△7.1%	7,613	<b>7,902</b>	289	3.8%
	Segment profit	542	<b>291</b>	△251	△46.3%	1,582	<b>668</b>	△913	△57.7%
	Profit ratio	17.6%	<b>10.2%</b>	△7.4%	—	20.8%	<b>8.5%</b>	△12.3%	—
Platform	Net sales	952	<b>1,045</b>	97	9.8%	2,365	<b>2,639</b>	273	11.6%
	Segment profit	430	<b>538</b>	133	25.1%	958	<b>1,194</b>	235	24.6%
	Profit ratio	45.2%	<b>51.5%</b>	8.5%	—	40.5%	<b>45.2%</b>	4.7%	—
Consolidated	Net sales	4,030	<b>3,908</b>	△122	△3.0%	9,979	<b>10,542</b>	562	5.6%
	Segment profit	973	<b>829</b>	△143	△14.7%	2,541	<b>1,862</b>	△678	△26.7%
	Adjusted amount ※1	△ 233	△ <b>234</b>	△ 1	—	△666	△ <b>693</b>	△26	—
	Operating income	739	<b>595</b>	△144	△19.5%	1,874	<b>1,169</b>	△704	△37.6%
	Profit ratio	18.4%	<b>15.2%</b>	△3.1%	—	18.8%	<b>11.1</b>	△7.7%	—



# Q3 FY04/23 Commerce Segment (Net sales)

Consolidated

- Growth in other businesses covers decrease in Mobile Life Business (Cumulative Period)
- Q3 fiscal year was unable to fully offset the slump in the Mobile Life business, which performed very well in the same period of the previous fiscal year

(Millions of yen) Commerce Segment	Accounting period				Cumulative period			
	Q3 FY04/22 results	Q3 FY04/23 results	Increase /Decrease	% YoY	Q1-Q3 FY04/22 results	Q1-Q3 FY04/23 Results	Increase /Decrease	% YoY
<b>Net sales</b>	3,078	<b>2,860</b>	△218	△7.1%	7,613	<b>7,902</b>	289	3.8%
Mobile Life Business	2,167	<b>1,736</b>	△431	△19.9%	6,058	<b>5,318</b>	△740	△12.2%
Gaming Accessories Business	163	<b>230</b>	67	41.6%	218	<b>578</b>	360	165.1%
Cosmetics Business	11	<b>72</b>	61	614.9%	11	<b>143</b>	132	1200.00%
New Business investment	14	<b>25</b>	11	78.5%	34	<b>62</b>	28	82.4%
Global Business	721	<b>796</b>	75	10.3%	1,289	<b>1,798</b>	509	39.5%

# Q3 FY04/23 Commerce Segment (Operating income)

Consolidated

- Profit continues to trend downward as upfront investment in New Business
- Profitability of Global Business (mainly US) improved compared to the second quarter of the fiscal year

(Millions of yen)	Accounting period				Cumulative period			
	Q3 FY04/22 results	Q3 FY04/23 results	Increase /Decrease	% YoY	Q1-Q3 FY04/22 results	Q1-Q3 FY04/23 results	Increase /Decrease	% YoY
<b>Commerce Segment</b>								
<b>Operating income</b>	542	<b>291</b>	△251	△46.3%	1,582	<b>668</b>	△914	△57.8%
Mobile Life Business	425	<b>324</b>	△101	△23.7%	1,247	<b>1,049</b>	△198	△15.9%
Gaming Accessories Business	△4	<b>0</b>	4	—	△6	<b>9</b>	16	—
Cosmetics Business	△73	△ <b>136</b>	△63	—	△98	△ <b>385</b>	△287	—
New Business investment	△56	△ <b>51</b>	5	—	△186	△ <b>162</b>	24	—
Functional Departments	△17	△ <b>17</b>	0	—	△63	△ <b>69</b>	△6	—
Global Business	270	<b>171</b>	△99	△36.8%	689	<b>227</b>	△462	△67.1%
<b>Operating income ratio</b>	17.6%	<b>10.2%</b>	△7.4%	—	20.8%	<b>8.5%</b>	△12.3%	—

## Q3 FY04/23 Platform Segment

- Increased sales in Localco Business hedge declining traffic in EC market
- Significant improvement in segment profit margin against the backdrop of high marginal profit ratio

(Millions of yen)	Accounting period				Cumulative period			
	Q3 FY04/22 results	Q3 FY04/23 results	Increase /Decrease	% YoY	Q1-Q3 FY04/22 results	Q1-Q3 FY04/23 results	Increase /Decrease	% YoY
Platform Segment								
Net sales	952	<b>1,045</b>	93	9.8%	2,365	<b>2,639</b>	273	11.6%
NextEngine Business	583	<b>618</b>	35	6.1%	1,661	<b>1,797</b>	135	8.2%
Consulting Business	126	<b>103</b>	△23	△18.3%	344	<b>372</b>	27	8.1%
Localco Business	242	<b>323</b>	81	33.5%	359	<b>469</b>	110	30.7%
Operating income	430	<b>538</b>	108	25.1%	958	<b>1,194</b>	235	24.6%
Operating income ratio	45.2%	<b>51.5%</b>	5.9%	—	40.5%	<b>45.2%</b>	4.7%	—

# Q3 FY04/23 Consolidated Overview —Net Sales analysis

## <Commerce>

- Demand of products for iPhone14 series is not growing faster than expected EC and Real (wholesale) sales decreased.
- Significant increase in sales because of expanding market recognition of gaming monitor Pixio.
- Sales increased after skin care line launched in Cosmetics Business.
- Sales increased because of aggressive sales expansion measures in Global Business (mainly US).

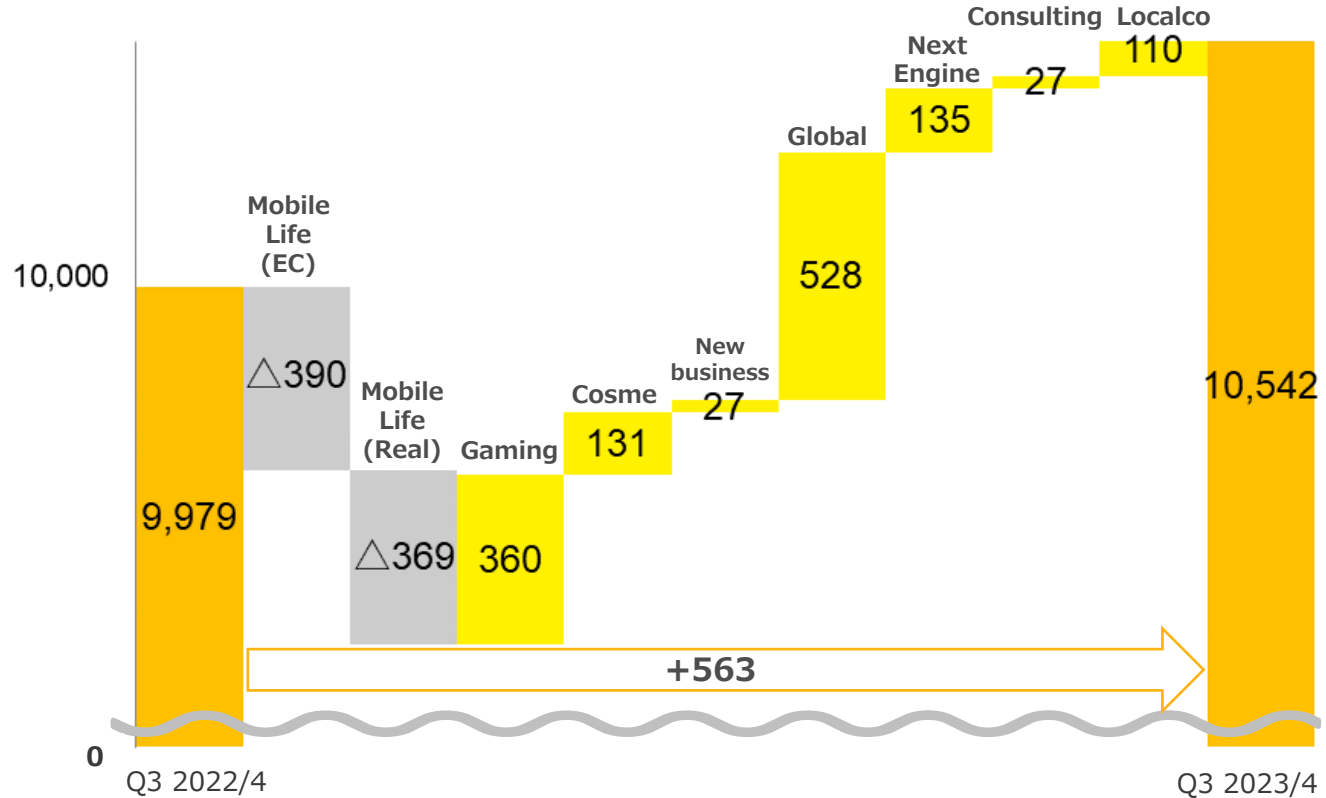
## <Platform>

- Each business maintains sales growth trend.
- Consulting Business remained a task, securing consultants.

Consolidated

## Net sales(cumulative period)

(Millions of yen)

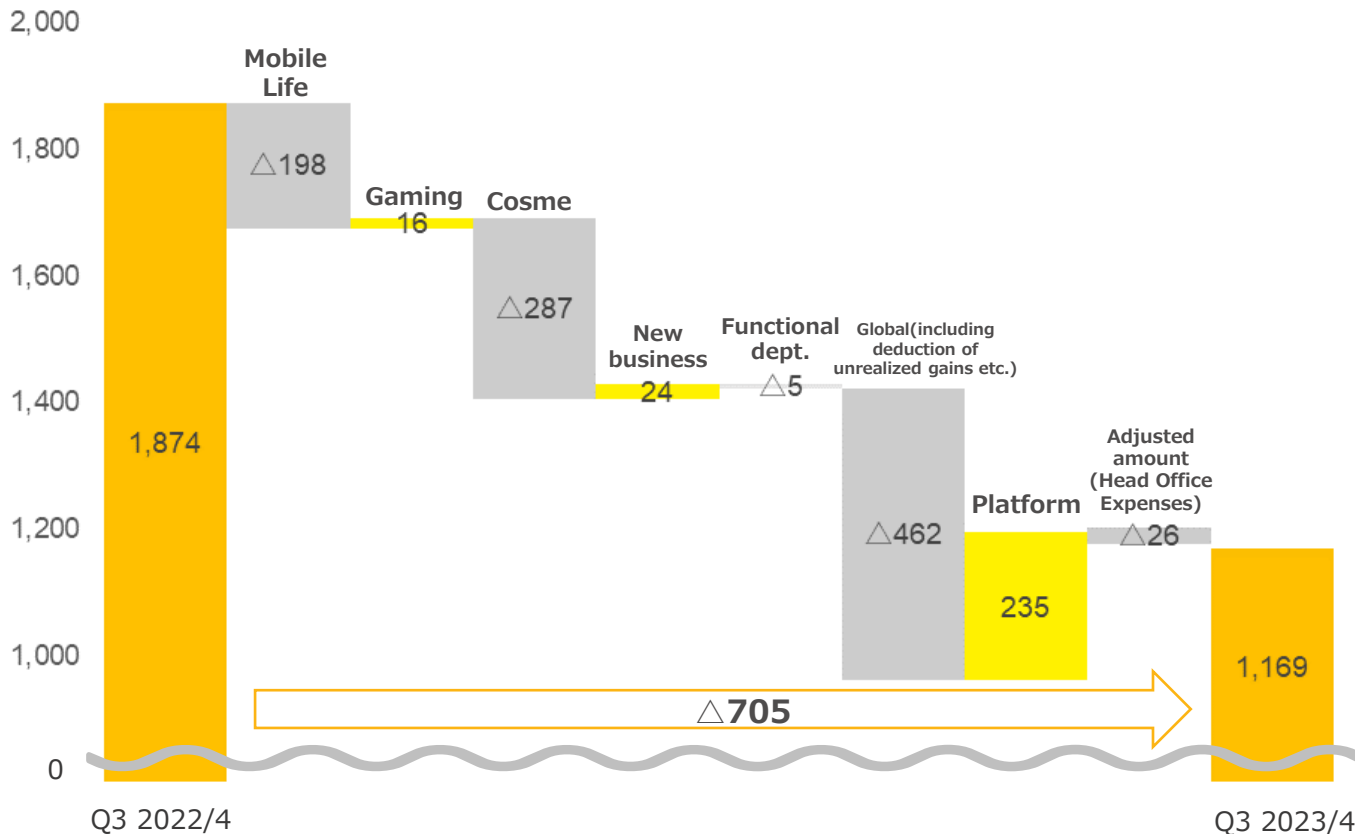


# Q3 FY4/23 Consolidated Overview —Operating income analysis

Consolidated

## Operating income (cumulative period)

(Millions of yen)



### <Commerce>

- Mobile Life Business: Income decreased due to the large impact of the decrease in sales.
- Cosmetics Business: Although we place emphasis on advertising investment which links to sales from Q3, upfront investment will continue so operating loss is posted.
- Global Business: Declined in profit margin due to sales expansion measures in the U.S. Profitability improved from Q3 onward.

### <Platform>

- Each business maintains sales growth trend.

## Full-year Forecast (Revision) Progress toward

- Profit margin exceeded forecast because of thorough cost(fixed cost) management in Commerce and Platform segment.
- Operating income is making positive progress against the revised plan.
- Adjustments (HQ expenses) also progressed conditions remained low.

(Millions of yen)		FY04/23 YTD			
		Revised forecast	Q1-Q3 FY04/23 results	Amount of deviation	Achievement rate
Consolidated Segment					
Commerce	Net sales	10,717	<b>7,902</b>	△2,815	73.7%
	Segment profit	694	<b>668</b>	△26	96.3%
	Profit ratio	6.5%	<b>8.5%</b>	2.0%	130.0%
Platform	Net sales	3,383	<b>2,639</b>	△744	78.0%
	Segment profit	1,337	<b>1,194</b>	△143	89.3%
	Profit ratio	39.5%	<b>45.2%</b>	5.7%	114.4%
Total	Net sales	14,098	<b>10,542</b>	△3,556	74.8%
	Segment profit	2,032	<b>1,862</b>	△170	91.6%
	Adjusted amount ※1	△1,017	<b>△693</b>	324	68.1%
	Operating income	1,014	<b>1,169</b>	155	115.3%
	Profit ratio	7.2%	<b>11.1%</b>	3.9%	154.2%

※1 Adjusted amount: Company-wide headquarters expenses are presented as "Adjusted amount."

# III . Business Highlight

# Platform



**NEXT ENGINE**



# Highlights

Platform

Platform

Sales (Q3)

JPY **1,045** million  
(up 9.8% YoY)

Operating income(Q3)

**51.1**%  
(up 6.3% YoY)

Next Engine Business

Number of clients(Q3)

**5,651** clients  
(up 415 clients YoY)

GMV(Q3)※1

JPY **330** billion  
(up 7.3% YoY)

ARPU(Q3)※2

JPY **36,854**  
(down 0.6% YoY)

Monthly churn rate (Q3)※3

**0.95**%  
(down 0.01% YoY)

※1 GMV . . . Gross Merchandise Value = transaction amount processed through Next Engine.

※2 ARPU . . . Average Revenue Per User = the averages of sales per Next Engine clients.

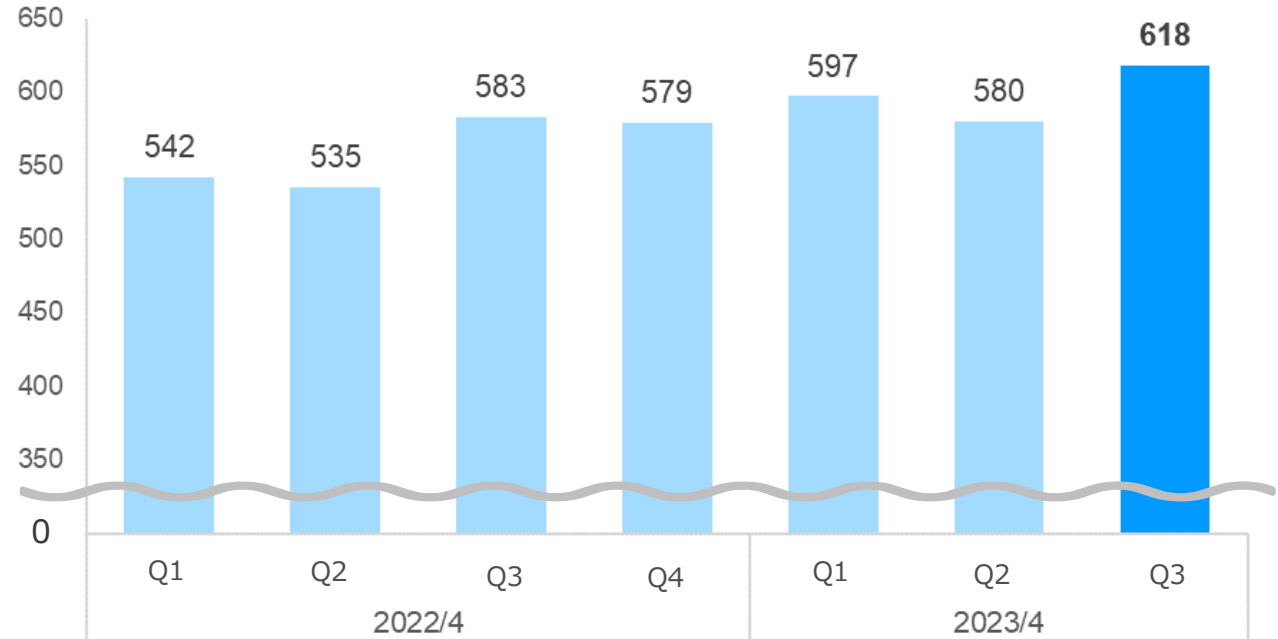
※3 monthly churn rate . . . Figures are calculated by dividing the number of contracted clients end of Q4 from the average number of cancellations during the quarterly period.

## Next Engine Business —Q3 FY04/23 Sales

- Maintained upward trend in sales while taking advantage of stock business' strengths although reaction of digital shift is recognized.

### Net sales

(Millions of yen)

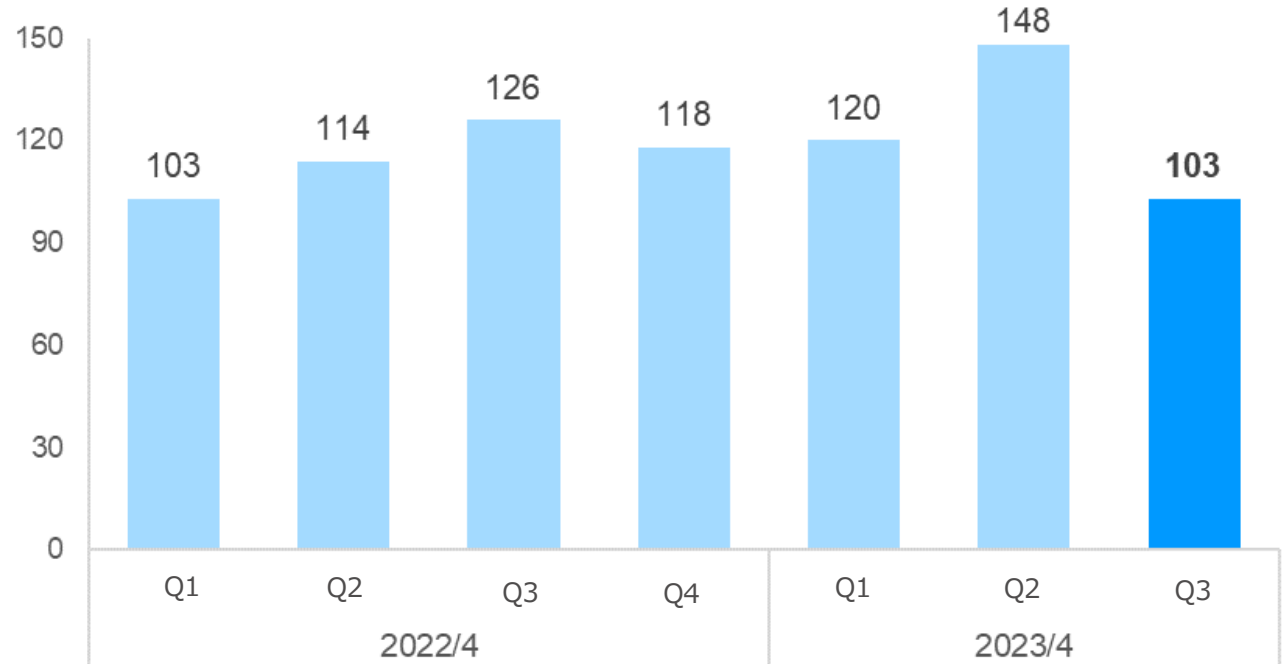


## Consulting Business —Q3 FY04/23 Sales

- Continuously tackling management issues, securing consultants, but sales struggles. Newly hired consultants can't make strategic moves until they become forces due to lack of ability.
- Site construction and other spot projects bottom up sales through acquisition.

### Net sales

(Millions of yen)

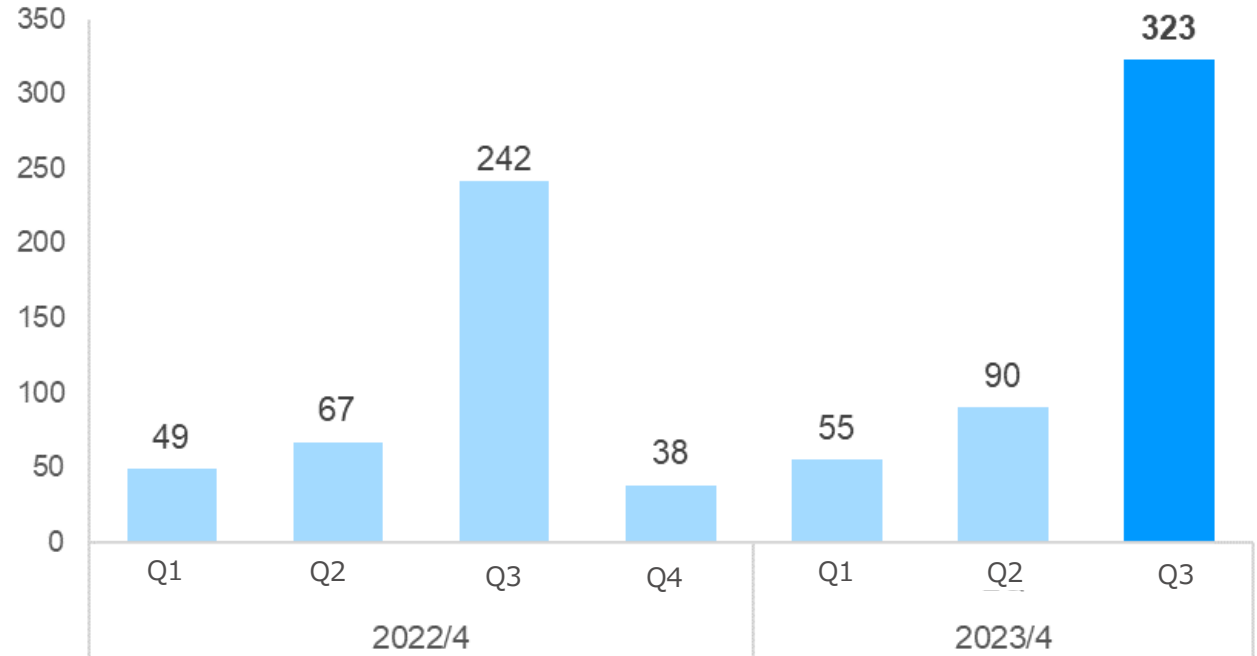


## Localco Business —Q3 FY04/23 Sales

- Against the backdrop of an increase in the number of hometax payment, maintained sales growth trend year-on-year.
- Quarterly sales fluctuate significantly as this business is highly correlated with movements in the hometown tax donation market as a whole.
- Sales peak in the Q3 as the volume of transactions is usually the largest in December, which is the deadline for tax payment.

### Net sales

(Millions of yen)

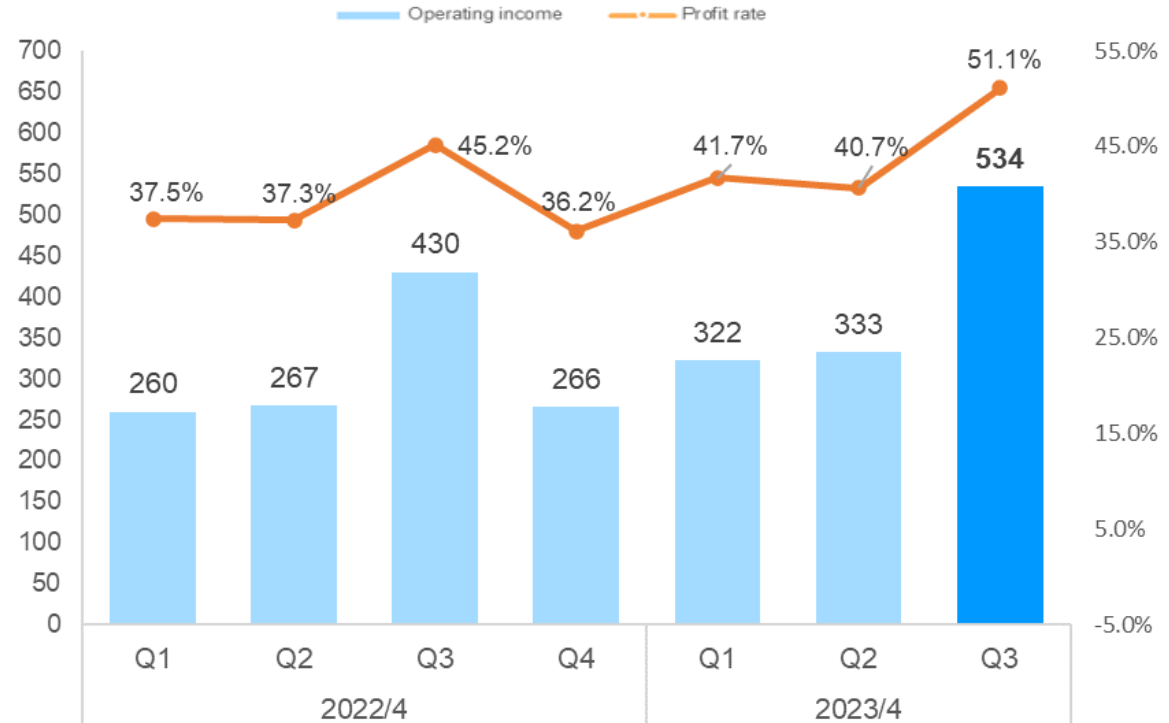


## Q3 FY04/23 Operating income

- For Next Engine Business and Localco Business, sales peak in the Q3 which includes December, as a segment, operating income tends to be highest in the Q3.
- Marginal profit of Next Engine both businesses are driven by high rates achieved profit growth exceeding sales growth.
- Profitability improved steadily year-on-year.

### Operating income

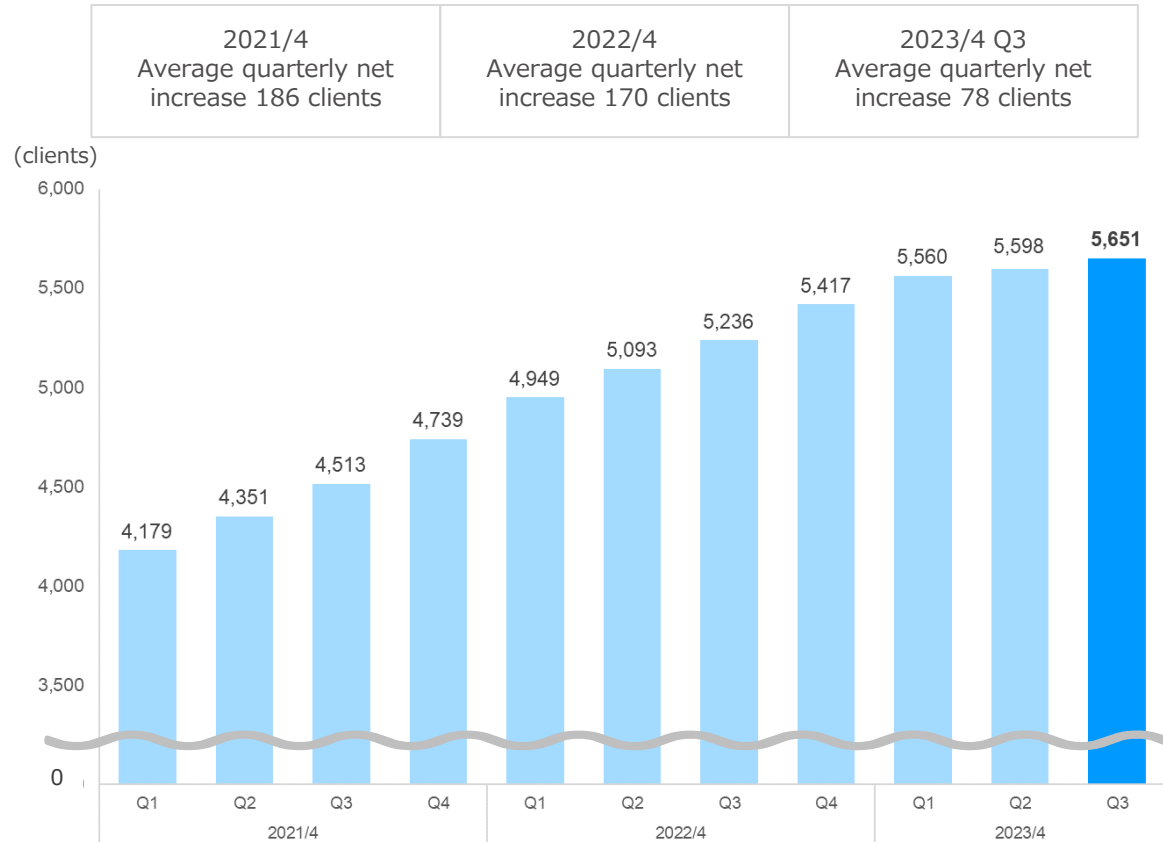
(Millions of yen)



## Next Engine Business —Total number of clients

- Priority issues for EC operators have shifted from improving operational efficiency to maximizing sales and securing profits.
- Motivation to introduce various business efficiency services appears to be temporarily declining.
- Against this backdrop, the number of free contracts is sluggish, and although the conversion rate remains constant, the growth in the number of contract clients slows down.
- Returning to the origins of customer success, instead of focus on winning contracts in Q3.
- Net increase 53 clients. Improved from 38 clients in Q2.

### Total number of clients

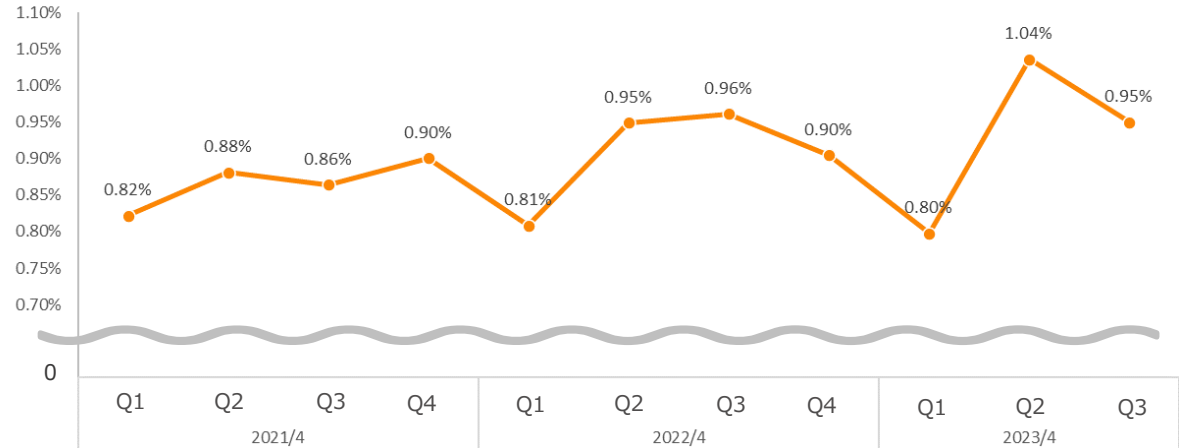


## Next Engine Business —Churn rate trend

- The number of businesses withdrawing from EC is on the rise although the churn rate remains at a low level.
- The churn rate improved compared to the second quarter.

### Churn rate

2021/4 Average monthly churn rate* 0.87%	2022/4 Average monthly churn rate* 0.91%	2023/4 Average monthly churn rate* 0.92%
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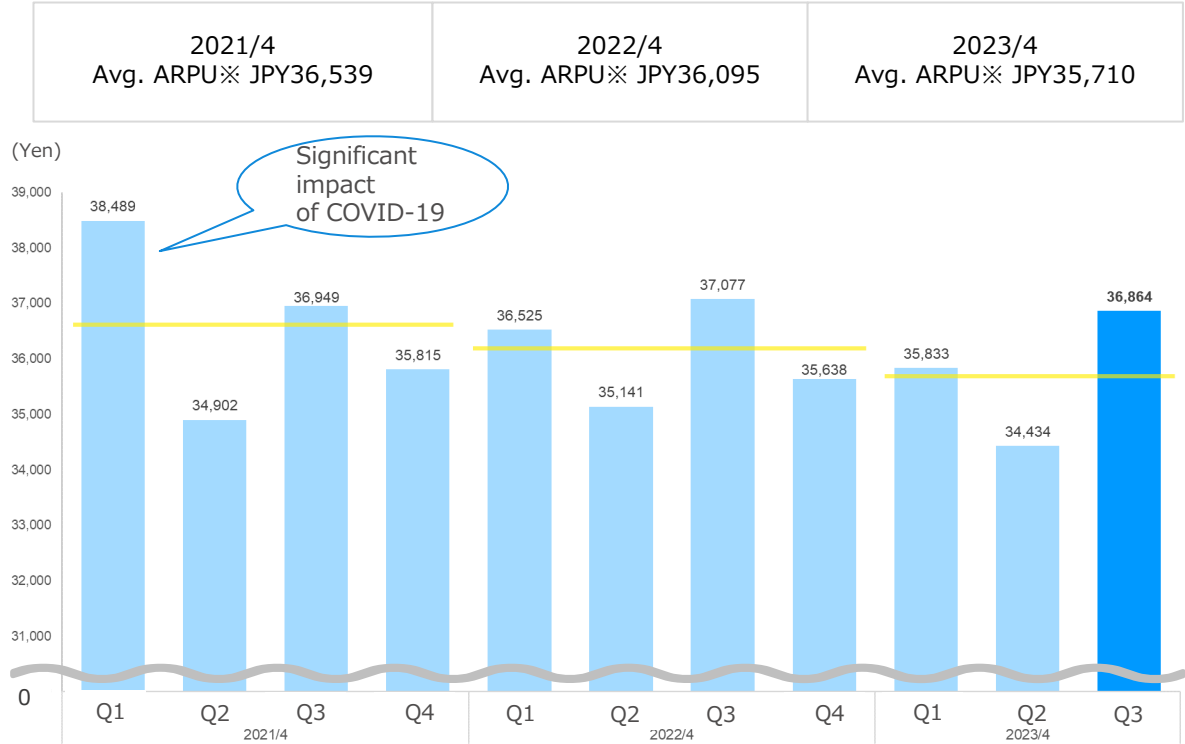


※ Annual average monthly churn rate: Figures calculated by dividing the number of contracted clients as of the end of the quarter from the average number of cancellations for each quarterly period are simple averages.

## Next Engine Business —ARPU trends

- The number of orders processed by users is sluggish due to the reaction to the digital shift in the EC market.
- Due to pay-as-you-go billing for the number of orders received, ARPU is also sluggish compared to the same quarter of the previous year.

### ARPU



※ Avg ARPU: Simple average of ARPU calculated for each quarterly period.



Commerce

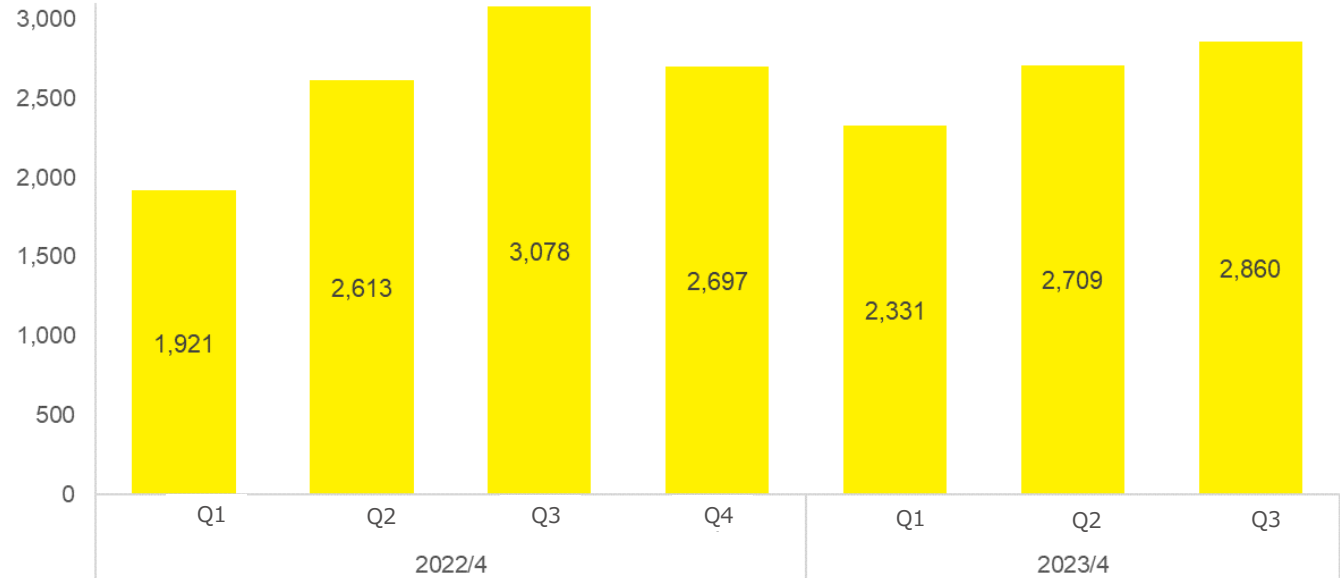


## Q3 FY4/23 Net Sales

- Structure in which decrease in sales in Mobile Life Business is covered by other Businesses stood out.
- Q3 fiscal year was unable to fully offset the slump in the Mobile Life business, which performed very well in the same period of the previous fiscal year.

### Net sales

(Millions of yen)



# iFace product development

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- Based on the product strategy, one of the medium-term management strategies, launched a tablet case as a product development not only smartphone cases.
- Continue to develop products in the mobile peripheral area.

## • First Class

Mainstay Products



## • Reflection



Commerce

## • Look in Clear

Product development



## • Tablet Case



Full Clearance developed from user feedback

## iFace new series

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### “Hang and”

- A new product developed as a convenient and functional iFace new series, its concept is “Keep on moving! Play more lightly and actively!”
- Launched in February 2023.



## iFace 10<sup>th</sup> anniversary

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- We celebrated our 10th anniversary with the continued support of many customers for not only functionality, but also design features, such as color variations, and the development of various series.



10<sup>TH</sup> ANNIVERSARY

Thanks to all of you, iFace marks 10th anniversary

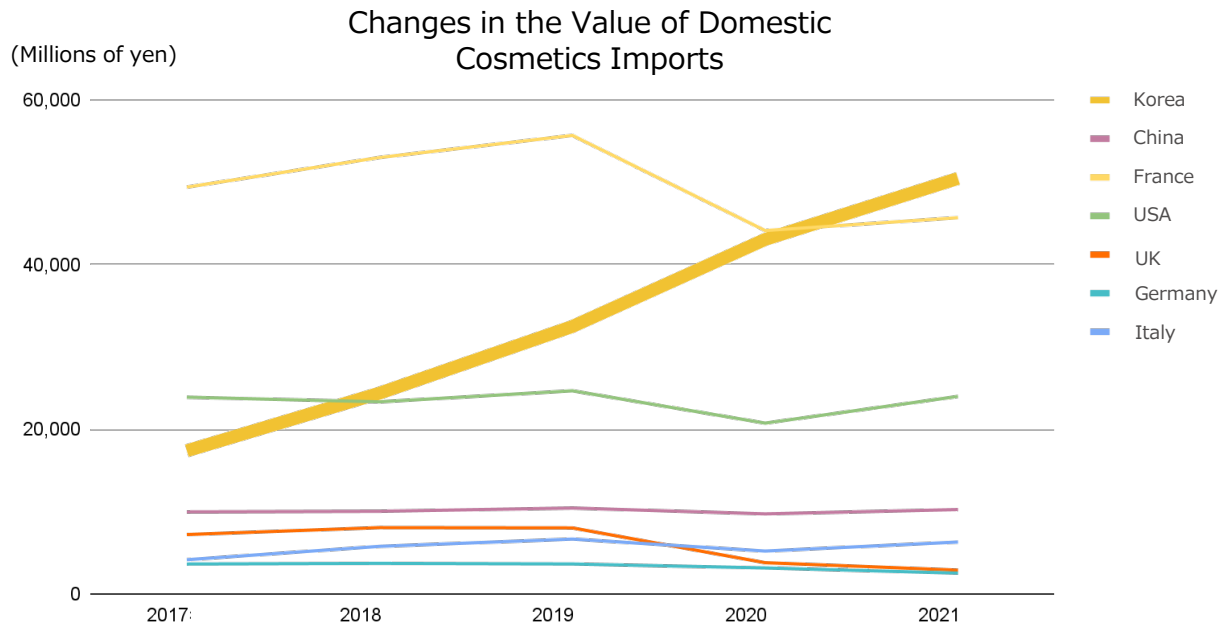
# Cosmetics Business

## —Trends in the domestic cosmetics market

### <Market Trends>

- The domestic cosmetics market is mature, and competition for market share is fierce, centered on major companies but K-beauty market has few major players, and the it is growing rapidly due to COVID-19.
- When converted to the distribution amount in the Japanese domestic market, it is estimated that there will be a market size of about JPY130 billion※ as of 2021. It's expected to continue growing in the future.

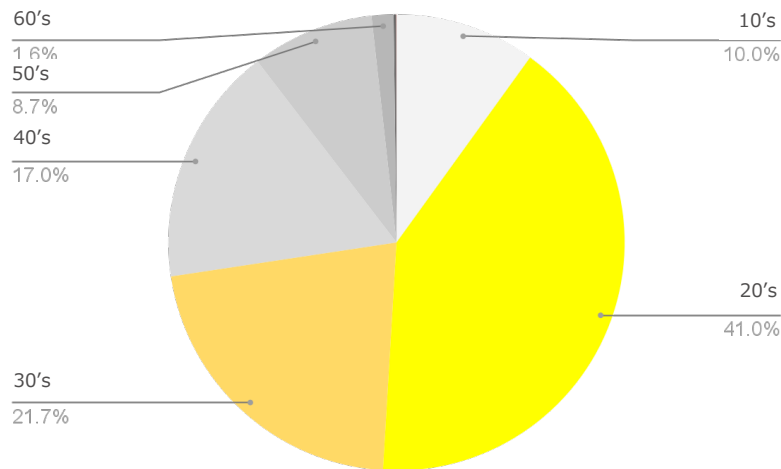
※Calculated conservatively based on the cost of sales ratio of each cosmetics company compared to the value of domestic imports to Korean in fiscal 2021.



Our compilation from Trade Statistics of the Ministry of Finance  
<https://www.customs.go.jp/toukei/info/index.htm>

## Cosmetics Business —ByUR targeting

Distribution of ByUR members by age group



### <Approach to younger generation>

- Product development centered on the “skincare” and “base makeup” categories, which are less susceptible to short-term trends and can ensure high profitability.
- Succeeded in reaching customers in their 20s and 30s, who are Hamee’s main customer base.

### <Awarded various awards>

- Won 24 awards ※ from the media, etc. as a noteworthy cosmetic product. Acquisition of high recognition in the early stages of business.



Many others!

※As of January 31, 2023

## Cosmetics Business —Sales to date in Q3

### <Reconfirming new product development capabilities>

- Despite the delay in launching the skin care line, customer reaction to the products has been favorable. Product strengths are well established.

### <Achieved record high sales in Nov!>

- Achieved record high sales in November on Amazon Black Friday.



Cosmetics Business Sales by Product Category





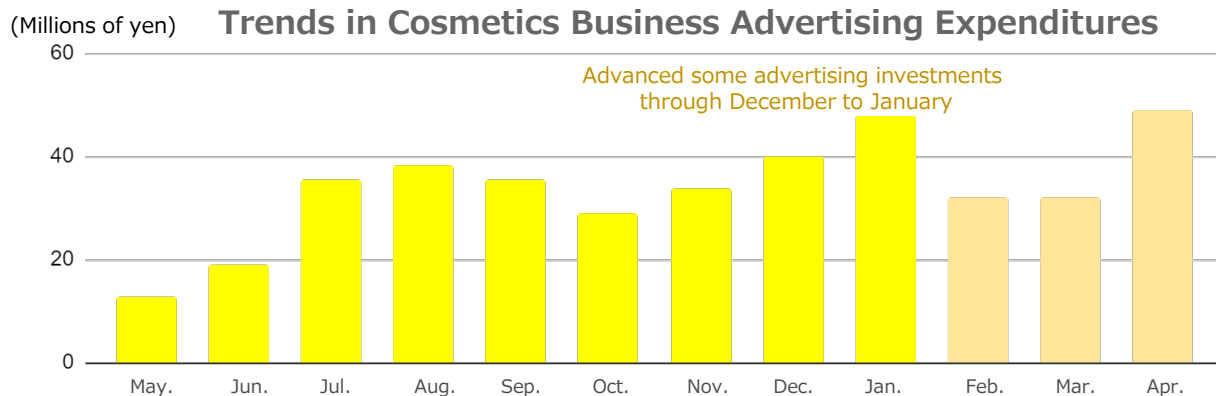
## Cosmetics Business Future investment policy

### <Strengthen sales capabilities by expanding sales channels>

- Because initial recognition after the launch of the ByUR brand is good, in the second half of the 2025 fiscal year, while continuing upfront investment in advertising, etc. and accelerating the expansion of the number of stores handling the products and the exhibition in EC malls.

### <Advance some advertising investments >

- Current situation, increase in store openings and sales, advanced some advertising investments and promotion through December to January.
- Total investment amount to the full-year planned within scheduled.



## Global Business

### <Otamatone Business Acquisition>

- Acquired overseas sales business of Otamatone, strong sales in Hamee US.
- Acquired manufacturing and sales rights in US etc.
- Stable supply of materials and a reduction in the cost of sales ratio further development of Global Business.



## IV. Estimates for the year

## Revision FY04/23 earnings forecasts

For details of the revisions, please refer to the "Notice Regarding Revisions to Full-Year Earnings Forecasts" announced on December 14, 2022.

(Millions of yen)		2022/4	2023/4				
Full-year earnings forecast revision		① Full-year results	② Initial forecast	Increase/ decrease in previous period (②-①)	③ Revised forecast	increase/ Decrease forecast (③-②)	Increase/ decrease in previous period (③-①)
Commerce	Net Sales	10,311	12,311	2,000	10,717	△1,593	406
	Segment profit	1,870	2,026	156	694	△1,331	△1,175
	Profit ratio	18.1%	16.5%	△1.6%	6.5%	△10.0%	△11.6%
Platform	Net Sales	3,102	3,620	518	3,383	△236	281
	Segment profit	1,225	1,407	182	1,337	△69	112
	Profit ratio	39.5%	38.9%	△0.6%	39.5%	0.6%	0.0%
Total	Net Sales	13,413	15,932	2,519	14,098	△1,833	685
	Segment profit	3,095	3,432	333	2,032	△1,399	△1,062
	Adjusted amount※1	△893	△1,139	△246	△1,017	121	△124
	Operating income	2,202	2,293	91	1,014	△1,278	△1,187
	Profit ratio	16.4%	14.4%	△2.0%	7.2%	△7.2%	△9.2%

※1 Adjusted amount: Company-wide headquarters expenses are presented as "Adjusted amount."

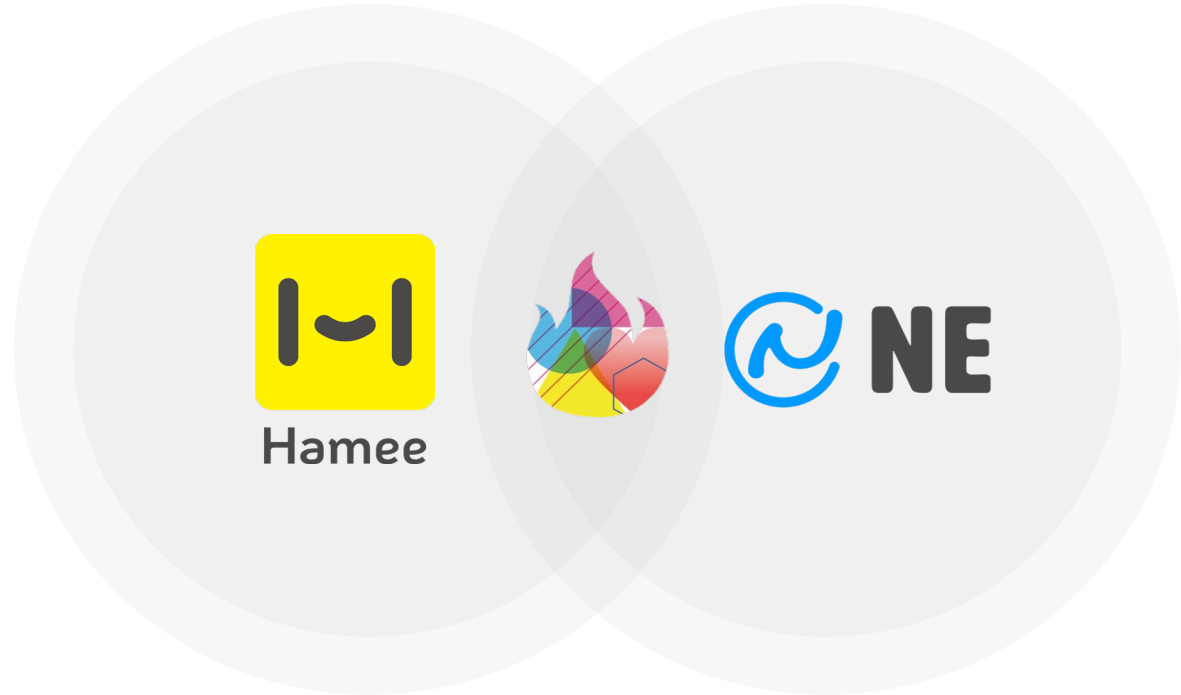
# APPENDIX

# Company Profile

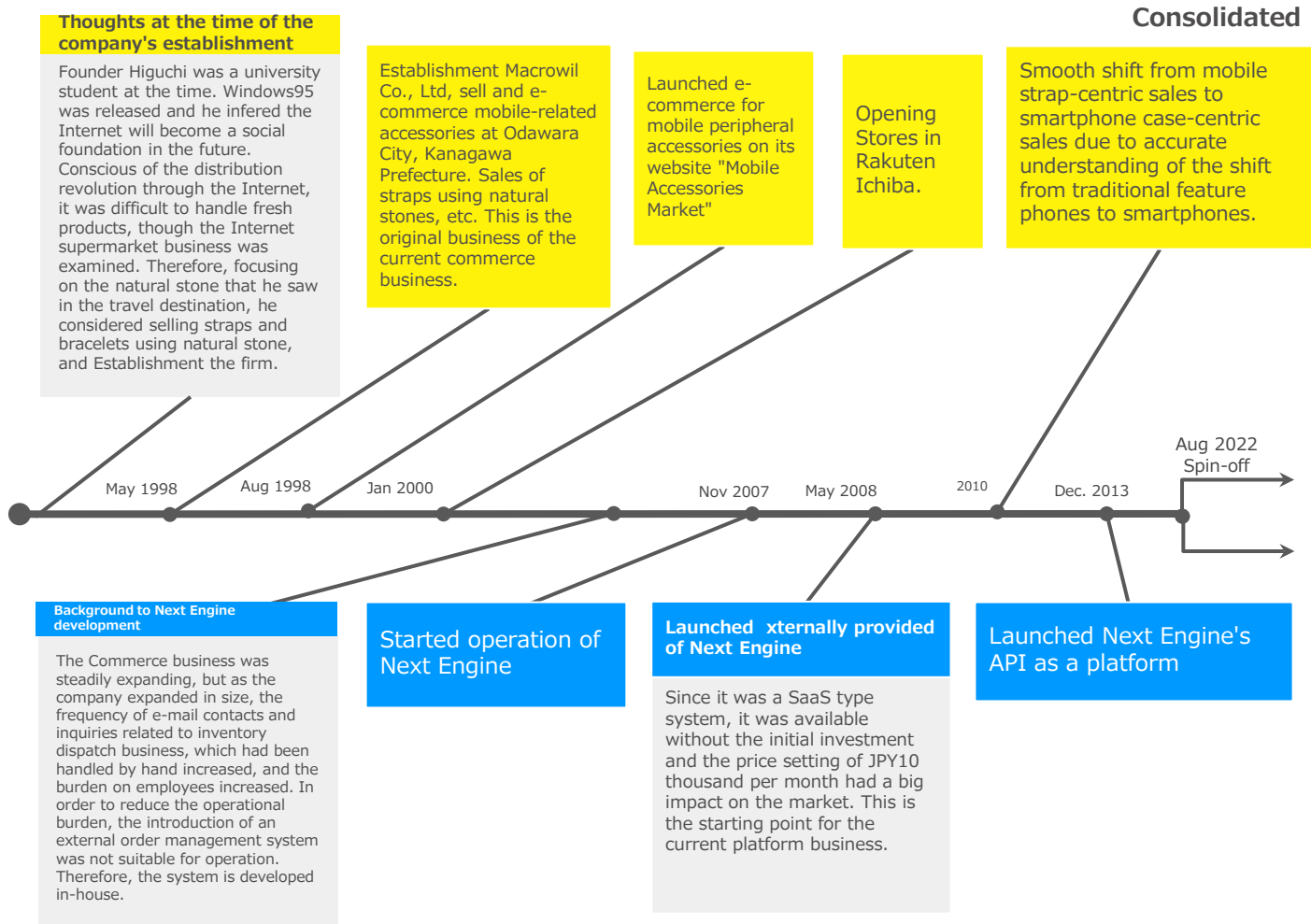
## Spin-off

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Under Mission of " Ignite your creativity " in order to maintain and realize mission over the super long term, the Platform Business spun off as NE Inc. and grow through both companies.

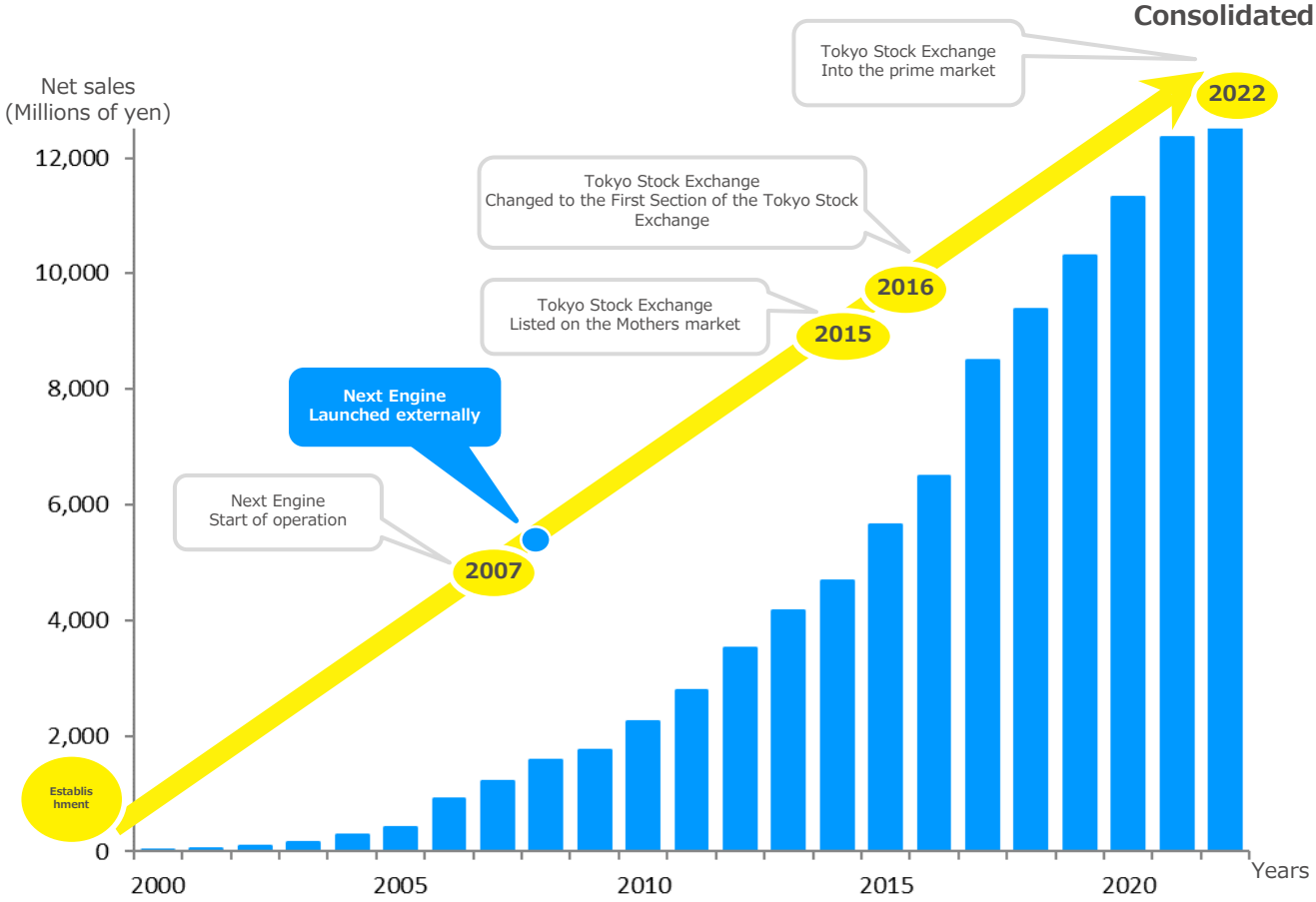


# History





# History (Growth Trajectory)



# Business Overview

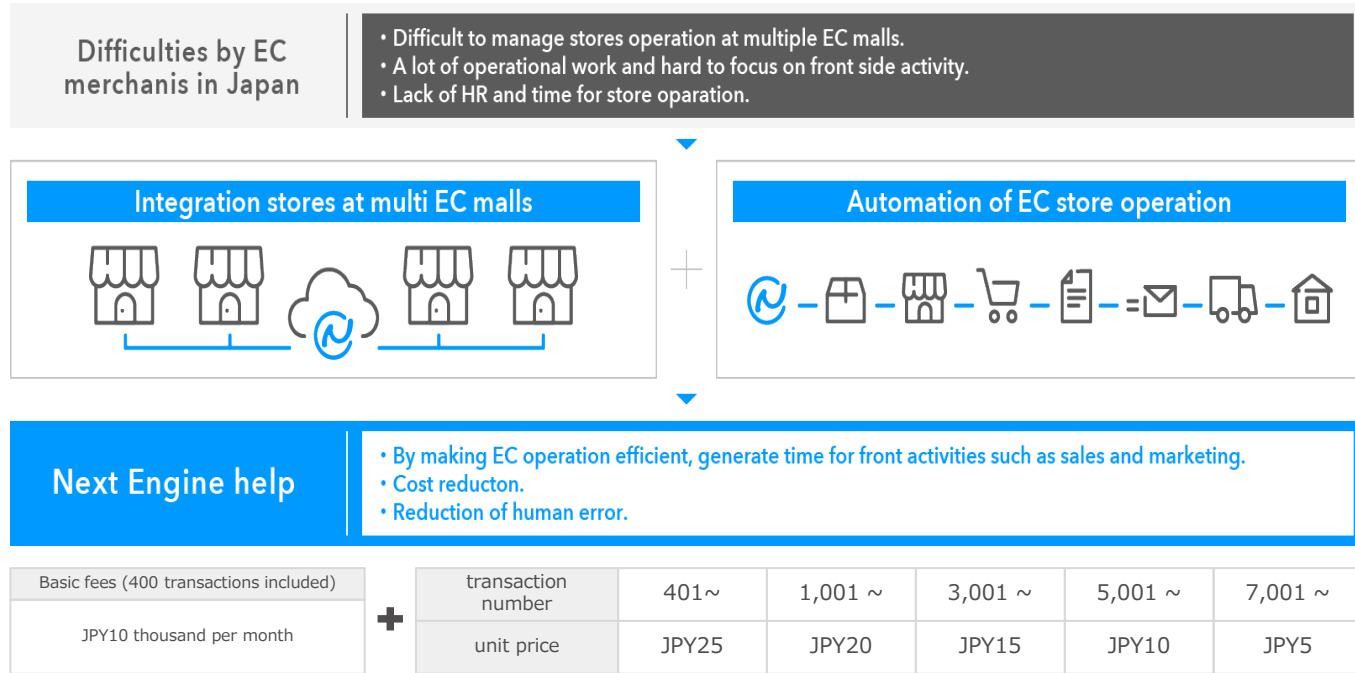
Platform



**NEXT ENGINE**

## Next Engine —Main functions

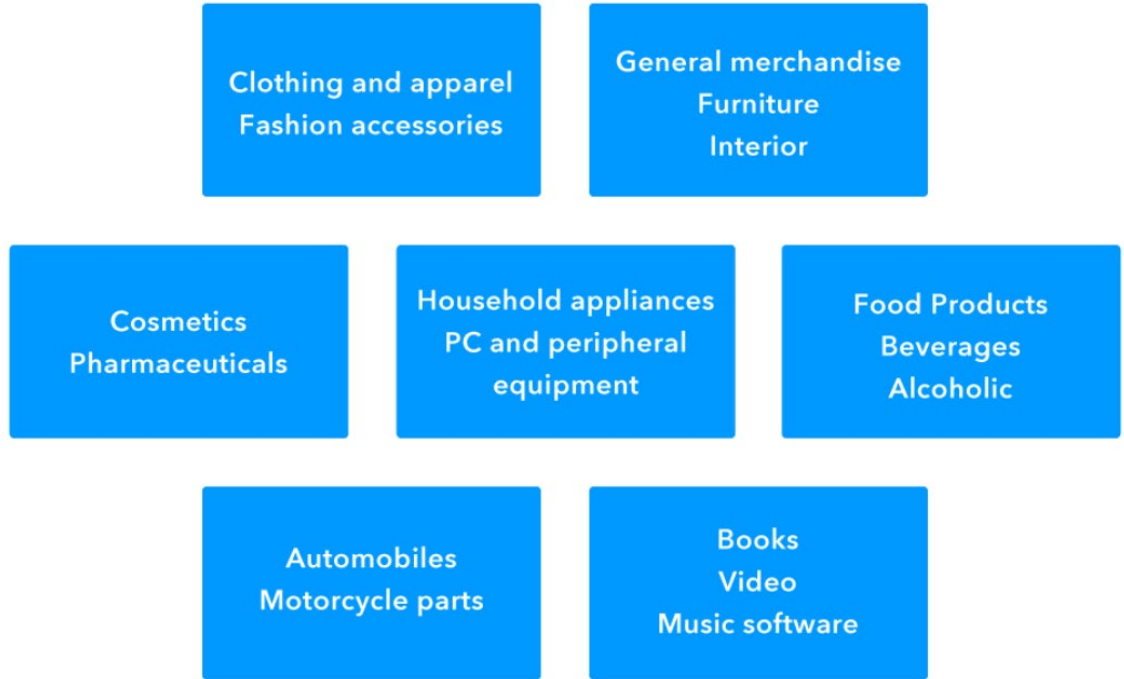
- SaaS type EC Attractions to support the automation and streamlining of EC site management operations.



## Next Engine —Clients

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- Next Engine supports clients in various categories



※Partial posting

## Next Engine —Clients

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### Neversey Never Inc.

<https://neversaynever.jp/>

Product: Women's Fashion and Apparel



### MADE IN EARTH

<https://madeinearth-store.jp/>

Product: Organic cotton products, Soap, furniture



### International Swan Group

<https://swan-group.net/>

Product: Clothing, fashion accessories, etc.



### THE BODY SHOP JAPAN

<http://www.the-body-shop.co.jp/shop/>

Product: Natural cosmetics



※Partial posting



### WARAI MIRAI

<http://waraimirai.com/>

Product: Suites, Fruits, Gifts



# NEXT ENGINE

**Born from  
EC  
operation**

Services born from opinions of "We want to enjoy work more " of our EC operations

**In No1 market  
Number of  
contracted  
clients ※**

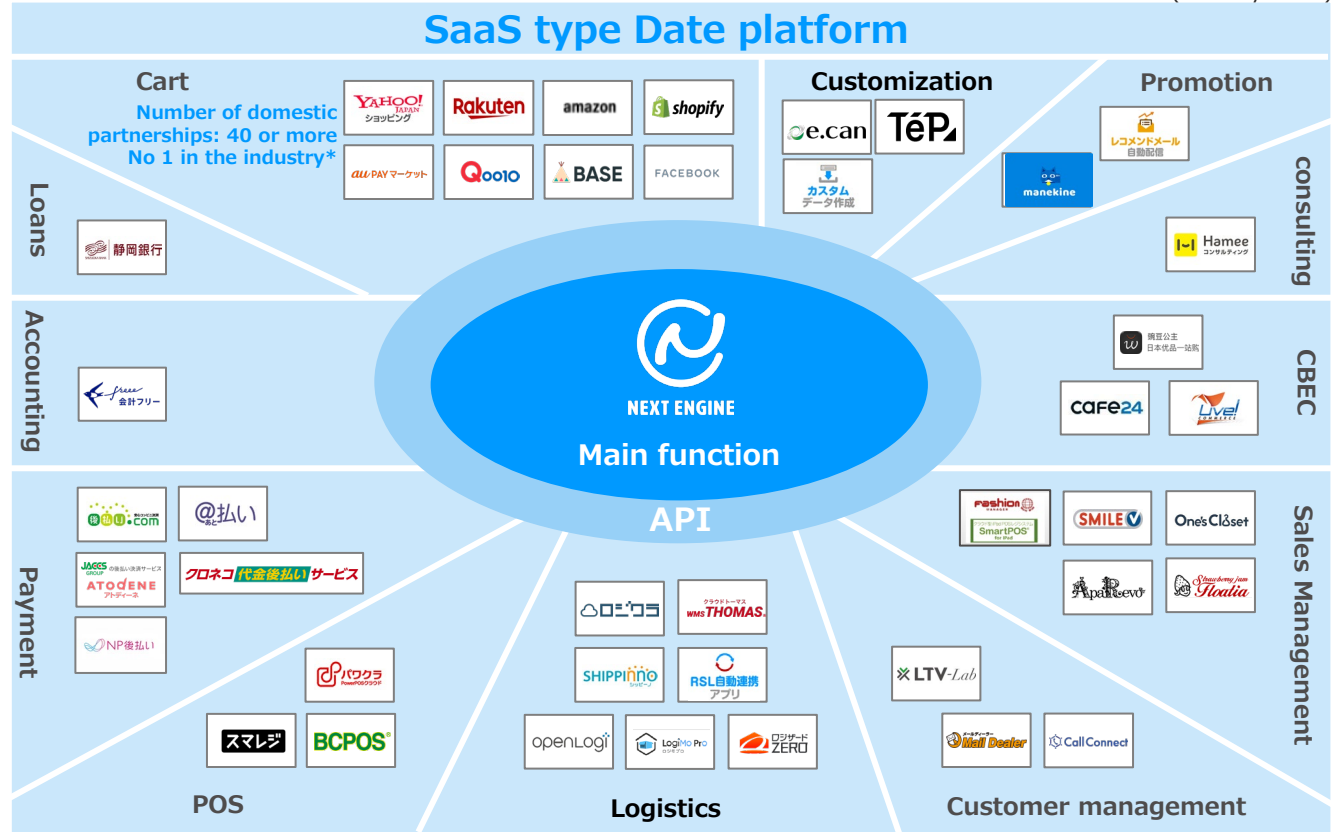
Strong trust backed by industry No.1 by continued support from EC businesses  
※Base on in-house research

**Resilient  
Customization**

You can customize and add features in the Apps. Available consistently to use regardless of changes in size of business or social environment

(Partially listed)

# Next Engine —Strengths

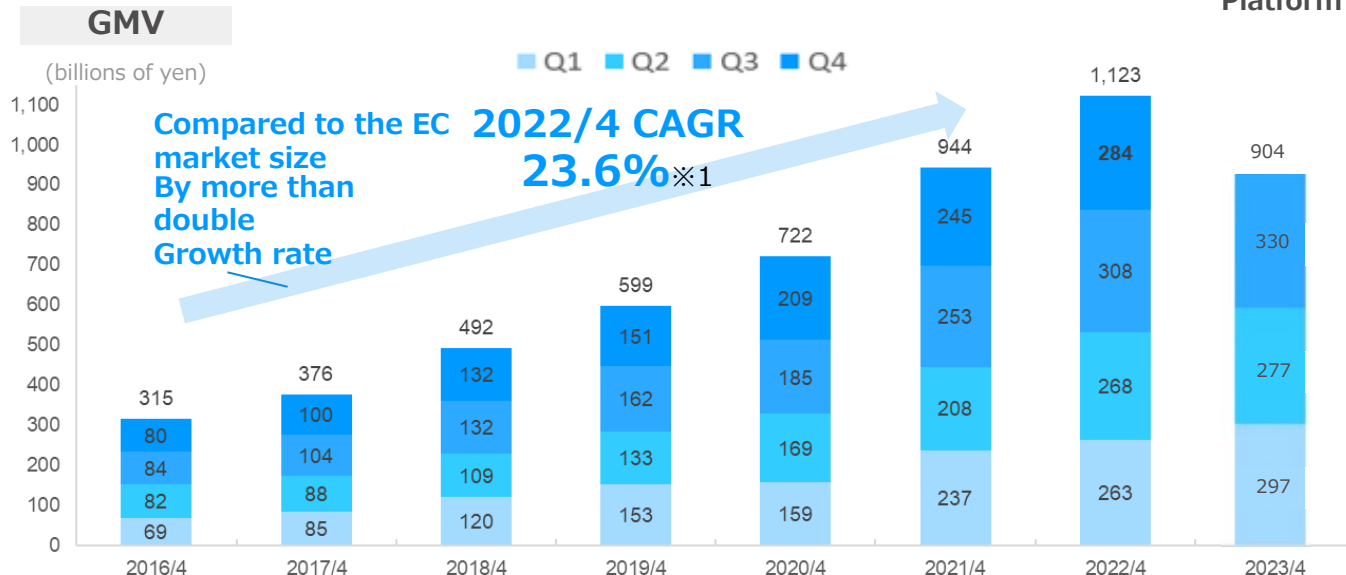


※ In house research, as of the end of October 2022



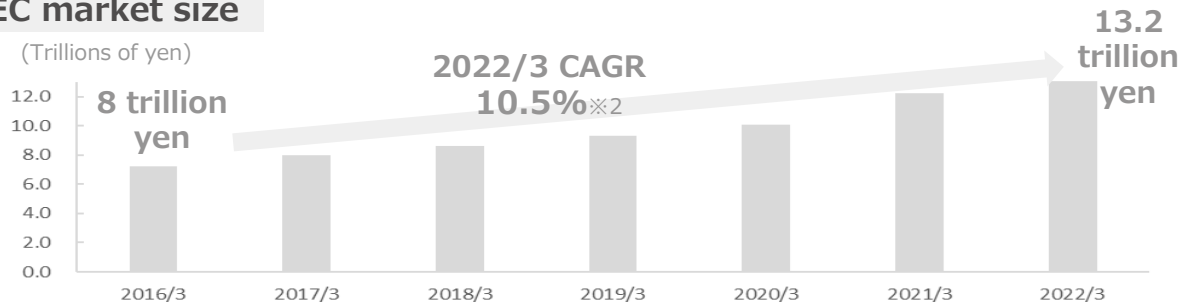
## Next Engine —GMV trends

- Next Engine growth rate is more than double that of domestic EC market



### EC market size

(Trillions of yen)



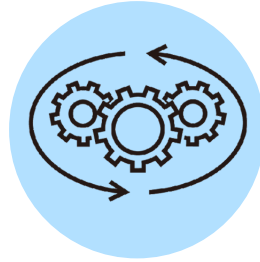
※1 Average annual growth rate. Calculated assuming FY04/16 as the first year.

※2 In the Survey of E-Commerce conducted by the Ministry of Economy, Trade and Industry, deemed fiscal March 2016 (fiscal 2015) as the first year. Calculated by us from "Market Size of BtoC-EC in the Data Sales Field."



### EC consulting

Consultants in charge formulate strategies, improve customer attraction through SEO and advertising, and provide support from a variety of perspectives, including repeat and higher spending per customer.



### Management agency

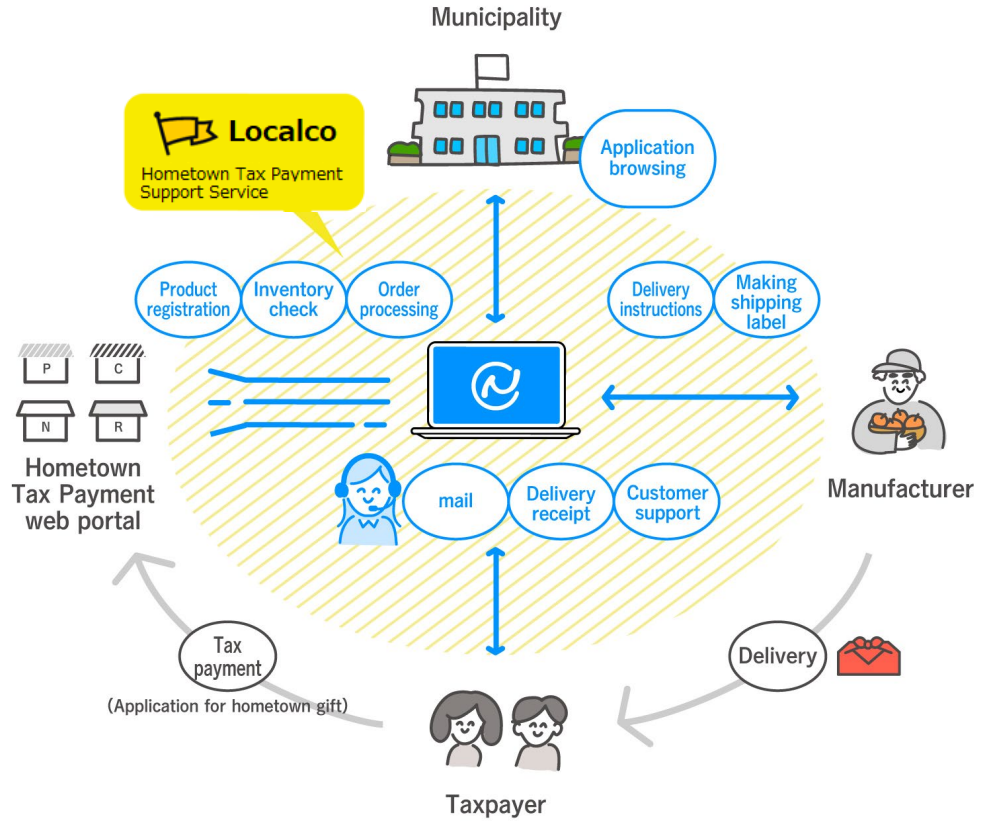
Operates EC sites that generate complicated operations from upstream to downstream, acting on behalf of customers in response to their requests.



### EC store opening and construction consulting

Underwrote consulting, including the selection of malls and the design of websites and pages, to businesses considering opening new EC stores in an integrated manner, from actual site production.

# Localco Business —Business Activities

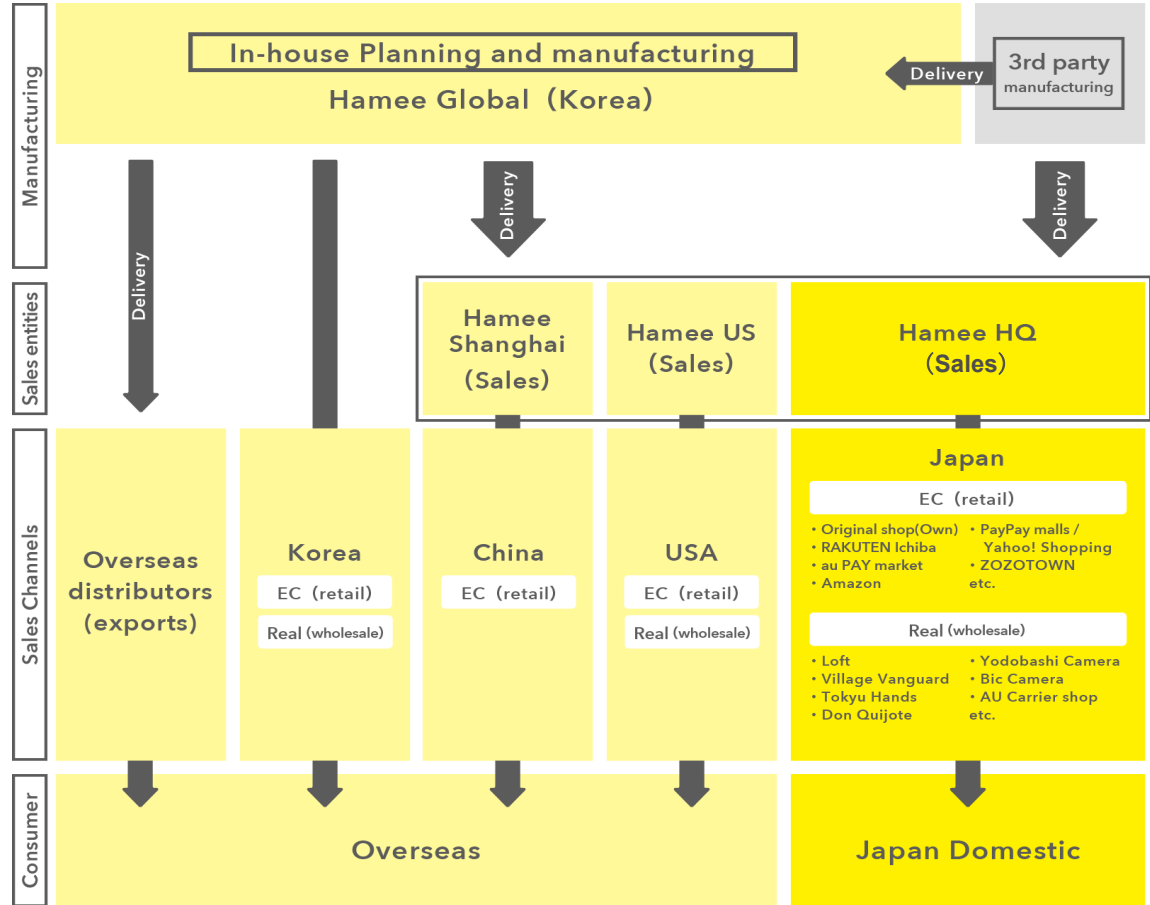


Commerce



# Commerce Business Supply Chain

- In iFace, our main product, we have established a system that can cover planning, manufacturing, and sales(including EC) in-house.



## Source of Commerce Competitiveness

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### Maximize EC know-how

- Efficient operations by making full use of Next Engine
- Store management
- Customer Satisfaction
- Warehouse linkage, etc.

### Variety of sales channels

- Maximize product sales
- Improve profitability through in-house planned products
- Continued growth even in COVID-19

### Supply Chain Management

- Consumer Voices are reflected to products speedily
- Expansion of product categories
- Incorporation of production profits from in-house production

### With iFace branding Leveraging Growth

- First Class
- Reflection
- New series
- Peripheral accessories
- Color, character development



**Launch new brand by using brand management that gained in the process of growth iFace**

- Salisty, Andmesh

Over the past 20 years, the Domestic Commerce Business has maintained an increasing trend in sales.

## iFace —Strengths

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### Design

The design takes into account not only functionality such as impact resistance, but also the expressions of personality such as unique curve and abundant color valuations.

### Brand

Its reliability is also high due to the strength and usability of its products, and its brand recognition is 64% high among men and women in their early 20s.

※Base on in-house survey  
Survey period:December, 2021  
Number of surveyed: 1,291  
Survey method:Internet survey  
Target:Men and women aged 20-24 (smartphone users)

### Young generation

Among young ※smartphone users, iFace users (including experienced users) account for more than 40%, earning a high level of loyalty, enabling us to secure a diverse range of sales destinations.

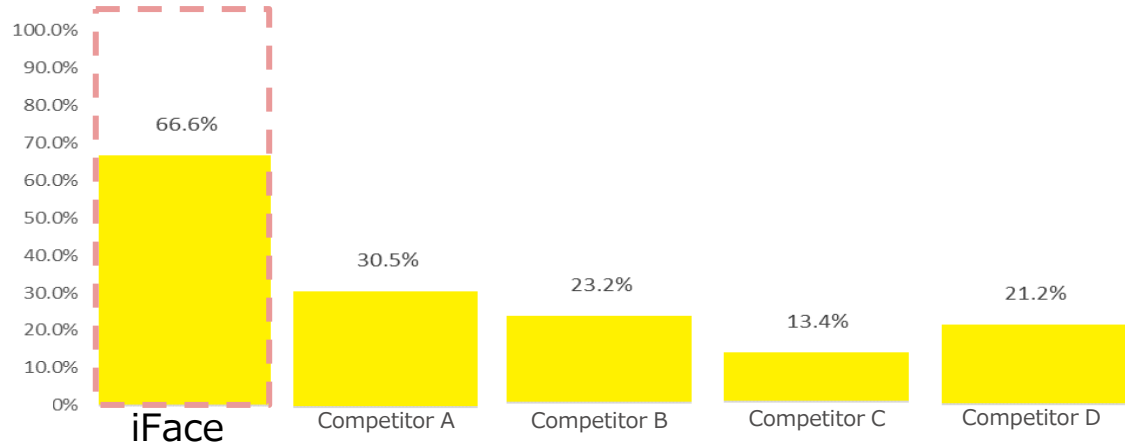
※Focuses on women aged 20 to 24 (Our survey December 2021)

## iFace —Recognition

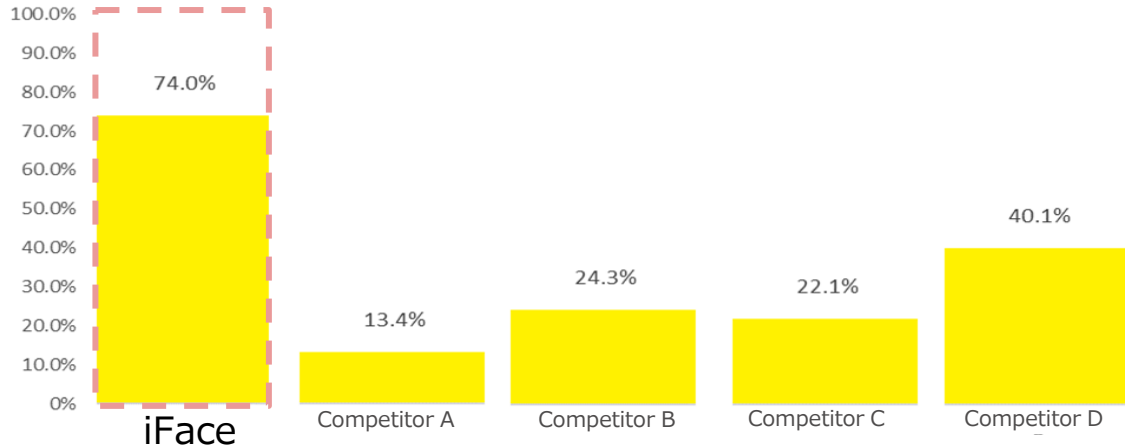
Overwhelming recognition among women in their late teens and early 20s compared to other companies' brands

※Our Survey  
Survey period: December, 2021  
Number of researchers: 599 women in their teens/638 women in their early 20s  
Survey method: Internet survey  
Target: Women aged 15-24 (smartphone users)

## Brand Recognition (Women in their late teens)



## Brand Awareness (Women in their early 20s)





**iFace**  
**—Series development**

**Voices of iFace user were commercialized**

- **Look in Clear**  
 In a web-based survey, "Full Clear Case," which was the strongest demand, was commercialized as an item to be used in iFace.
- **Tablet Case**  
 Product development beyond smartphone cases based on the product strategy, one of the Mid-term management plan.
- **Hang and**  
 A new product that comes with a shoulder strap that keeps the trend in check launchd in February.

**High designability + Series expansion + Peripheral accessories development**

• First Class

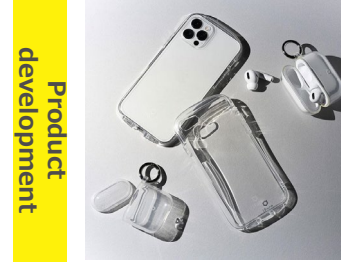


Mainstay Products

• Reflection



• Look in Clear



Product development

• Tablet Case



**Develop peripheral accessories**

• Hang and



Product development

• Finger Ring Holder



• Compact Wallet



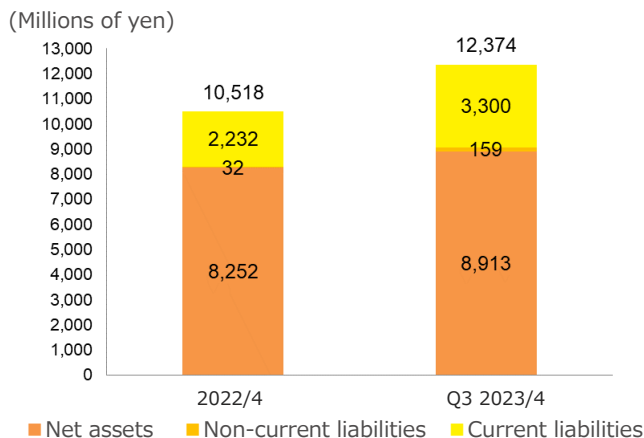
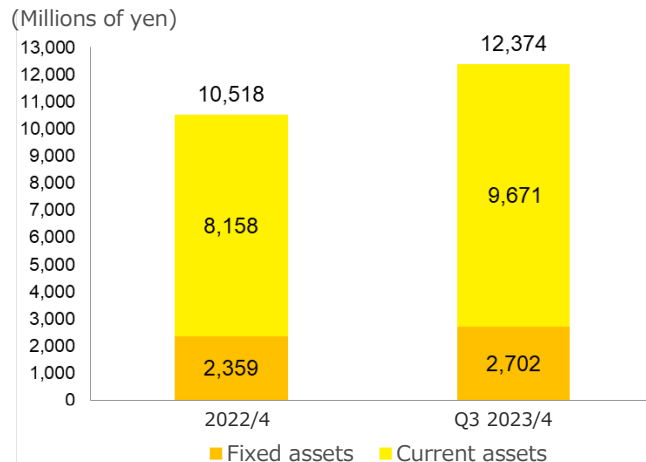
• Grip On Silicone Case



# Reference Information

# Q3 FY04/23 Consolidated Balance Sheet

Commerce



(Millions of yen)

Current assets	9,671	( +1,512)
■ Cash and deposits	3,396	( △629)
■ Notes and accounts receivable	1,756	( +89)
■ Merchandise	2,026	( +598)
■ Others	2,198	(+1,697)

Fixed assets	2,702	( +342)
■ Property, plant and equipment	1,611	( +398)
■ Intangible assets	343	( △113)
■ Investments and other assets	747	( +57)

Current liabilities	3,300	(+1,068)
■ Short-term loans	1,000	( +500)
■ Others	185	( +116)

Non-current liabilities	159	(+126)
■ Others	148	(+145)

Net assets	8,913	( +660)
■ Retained earnings	7,702	( +504)

## Next Engine indicators

Fiscal Year	2021/4				
	Q1	Q2	Q3	Q4	Full year
Number of clients	4,179	4,351	4,513	4,739	4,739
Number of stores introduced (stores)	31,771	33,114	34,461	36,004	36,004
GMV (Billions of yen)	237	208	253	245	944
ARPU (yen)	38,489	34,902	36,949	35,815	36,539
Monthly churn rate	0.82%	0.88%	0.86%	0.90%	0.87%
Number of orders received (ten thousand)	3,394	2,876	3,364	3,321	12,955
LTV(Lifetime Value) (Yen)	4,684,866	3,961,527	4,275,717	3,978,015	4,225,031

Fiscal Year	2022/4					2023/4		
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3
Number of clients	4,949	5,093	5,236	5,417	5,417	5,560	5,598	5,651
Number of stores introduced (stores)	37,765	39,134	40,192	41,595	41,595	43,049	44,221	45,116
GMV (Billions of yen)	2,631	2,685	3,075	2,845	11,236	2,967	2,777	3,300
ARPU (yen)	36,525	35,141	37,077	35,638	36,095	35,833	34,434	36,864
Monthly churn rate	0.81%	0.95%	0.96%	0.90%	0.91%	0.80%	1.04%	0.95%
Number of orders received (ten thousand)	3,543	3,335	3,909	3,738	14,525	3,924	3,587	4,117
LTV(Lifetime Value) (Yen)	4,519,089	3,702,895	3,857,032	3,939,768	4,004,696	4,493,902	3,323,480	3,881,696

※GMV and the number of orders processed are the totals at the end of each quarter. Monthly churn rate's figures are calculated by dividing the number of contracted clients end of Q4 from the average number of cancellations during the quarterly period.



## Results for each Business

### —Net sales

(Millions of yen)

Summary of Business Figures  
(Accounting Period)

			2022/4				2023/4		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3
Net sales		Mobile Life Business	1,588	2,302	2,167	2,240	1,557	2,025	1,736
		Gaming Accessories Business	19	35	163	177	188	159	230
		Cosmetics Business	-	-	11	18	23	47	72
		New Business investment	10	10	14	21	18	18	25
		Total domestic commerce	1,626	2,356	2,364	2,465	1,798	2,257	2,064
		Global Business	302	264	721	240	543	458	795
		Commerce segment total	1,921	2,613	3,078	2,697	2,331	2,709	2,860
		Next Engine Business	542	535	583	579	597	580	618
		Consulting Business	103	114	126	118	120	148	103
		Localco Business	49	67	242	38	55	90	323
		Platform Segment Total	695	717	952	736	774	819	1,045
		Total sales	2,617	3,331	4,030	3,434	3,106	3,527	3,908

## Results for each Business —Operating income

(Millions of yen)

Summary of Business Figures  
(Accounting Period)

			2022/4				2023/4		
			Q1	Q2	Q3	Q4	Q1	Q2	Q3
Segment Profit		Mobile Life Business	285	527	425	469	313	410	324
		Gaming accessories Business	△2	0	△4	6	2	7	0
		Cosmetics Business	△8	△16	△73	△99	△110	△138	△136
		New Business investment	△65	△64	△56	△114	△54	△57	△51
		Functional Departments	△21	△24	△17	△18	△26	△26	△17
		Total domestic commerce	196	438	280	251	134	202	120
		Global Business(including deduction of unrealized gains, etc.)	88	330	270	44	35	15	171
		Commerce Segment Total	285	753	542	288	159	217	291
		Platform Segment Total	260	267	430	266	322	333	538
		Total Segment Income	546	1,021	973	554	482	550	829
Adjusted amount			△218	△215	△233	△226	△234	△224	△234
Operating income			327	806	739	327	248	326	595

## Shareholder Returns —Dividend per share

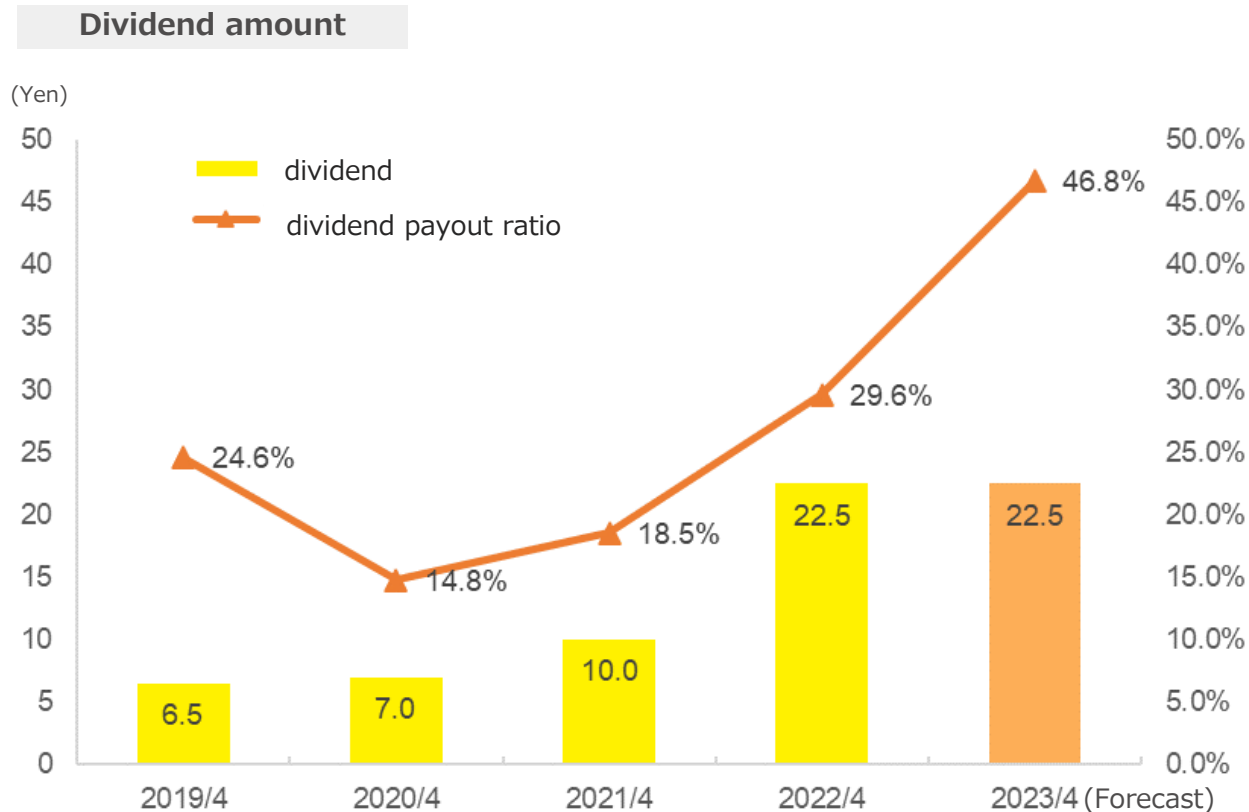
Consolidated

### ① Linked to performance

We will return profits to shareholders in accordance with profit growth. Maintain a dividend payout ratio of 20% or more

### ② Stable dividend

As long as there are no major gains or losses or changes in external conditions, in principle we will maintain or improve DPS.





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