



**Treasure Factory Co., Ltd.
1st Quarter of Fiscal 2024
(Year Ending February 29, 2024)**

Presentation Materials

July 12, 2023

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- 2** Changes in Important Key Performance Indicators for Fiscal Year Ended February 29, 2024
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1. Summary of Financial Results for the Three Months Ended May 31, 2023

Summary of Financial Results

- In the Q1 accounting period, consolidated ordinary profit exceeded 1 billion yen for the first time.
- Ordinary profit ratio came to 12.6%, growing another 0.9 pts from FY2023 Q1 when the Company recorded a 5.2 point leap.
- Taking into account the Q1 results, the Company has revised up its interim performance and interim dividends forecasts upon release of these presentation materials.

1st Quarter of Fiscal 2024 (consolidated)

Consolidated net sales

FY2023 Q1

FY2024 Q1

6.7 billion yen → **8.2 billion yen**
+22.7% YoY

Consolidated ordinary profit

FY2023 Q1

FY2024 Q1

780 million yen → **1.04 billion yen**
+32.6% YoY

Consolidated EBITDA

FY2023 Q1

FY2024 Q1

840 million yen → **1.13 billion yen**
+34.4% YoY

POINTS

- Profit ratio improved, resulting in **ROE of 9.7%** and **ROIC of 6.1%** as of the end of Q1.
- Need for reused items continues to grow as consumers hope to spend less amidst rising prices. Against such backdrop, sales of each category grew steadily achieving 11.7% increase YoY in net sales at non-consolidated existing stores.
- Opening of new stores progressed as planned, **completing the opening of 6 stores across the Group** during Q1 (against the plan to open around 25 stores this year).
- **Steady performance of Group companies** including Kindal and PickUP JAPAN in the reuse business **also contributed to profit**.

Statement of Income: Overview (Consolidated)

- Net sales grew by more than 20% YoY.
- Consolidated ordinary profit came to ¥1,040 million, a 32% increase YoY and 36% against the full-year forecast.

(Unit: million yen)

	FY2023	FY2024	Year on year		Results forecast	
	Q1 results	Q1 results	Change	Year on year	Full-year forecast	Progress
Net sales	6,733	8,259	1,525	122.7%	31,560	26.2%
Net gross profit	4,279	5,175	895	120.9%	-	-
Gross profit ratio	63.6%	62.7%	▲0.9pt	-	-	-
Selling, general, and administrative expenses	3,513	4,142	629	117.9%	-	-
Operating profit	766	1,032	266	134.8%	2,857	36.1%
Ordinary profit	786	1,042	256	132.6%	2,874	36.3%
Ordinary profit ratio	11.7%	12.6%	0.9pt	-	9.1%	-
Profit attributable to owners of parent	532	673	141	126.6%	1,868	36.1%
Earnings per share	23.94 yen	28.94 yen	5.00 yen	-	80.74 yen	35.8%

(Unit: million yen)

EBITDA		
FY2023 Q1	FY2024 Q1	Year on year
843	1,133	134.4%

EBITDA margin		
FY2023 Q1	FY2024 Q1	Change
12.5%	13.7%	1.2pt

*EBITDA = Operating profit + depreciation (operating expenses) + amortization of goodwill

*The Company carried out a 2-for-1 stock split (common stocks) as of March 1, 2023. Earnings per share are calculated on the assumption that this stock split was conducted at the beginning of the previous consolidated fiscal year.

Operating Profit Fluctuation Factor Analysis (Consolidated)

- Profit increased ¥320 million thanks to growth of stores already opened.
- Reuse businesses of consolidated subsidiaries also grew steadily, increasing profit by ¥100 million.
- As a result, operating profit increased by 35% YoY.

(Unit: million yen)



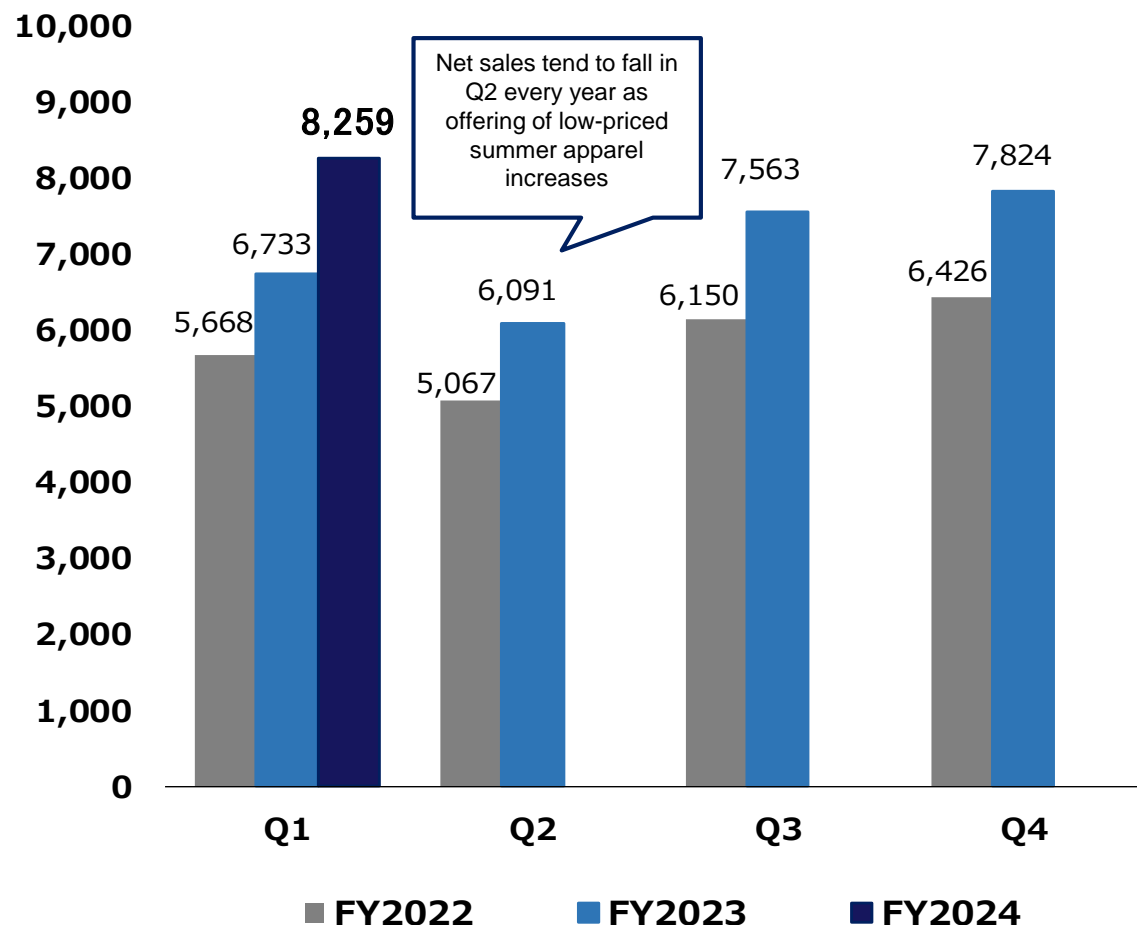
*Figures for "Existing stores," "New stores," and "Other" are non-consolidated results

Changes in Quarterly Results (Consolidated)

- Both net sales and operating profit grew significantly from the previous fiscal year.
- The Company started off the fiscal year successfully with operating profit up 35% YoY and operating profit ratio of 12.5%.
- Operating profit in Q1 exceeded the record-high ¥890 million for the quarterly accounting period in FY2023 Q3, coming to over ¥1 billion.

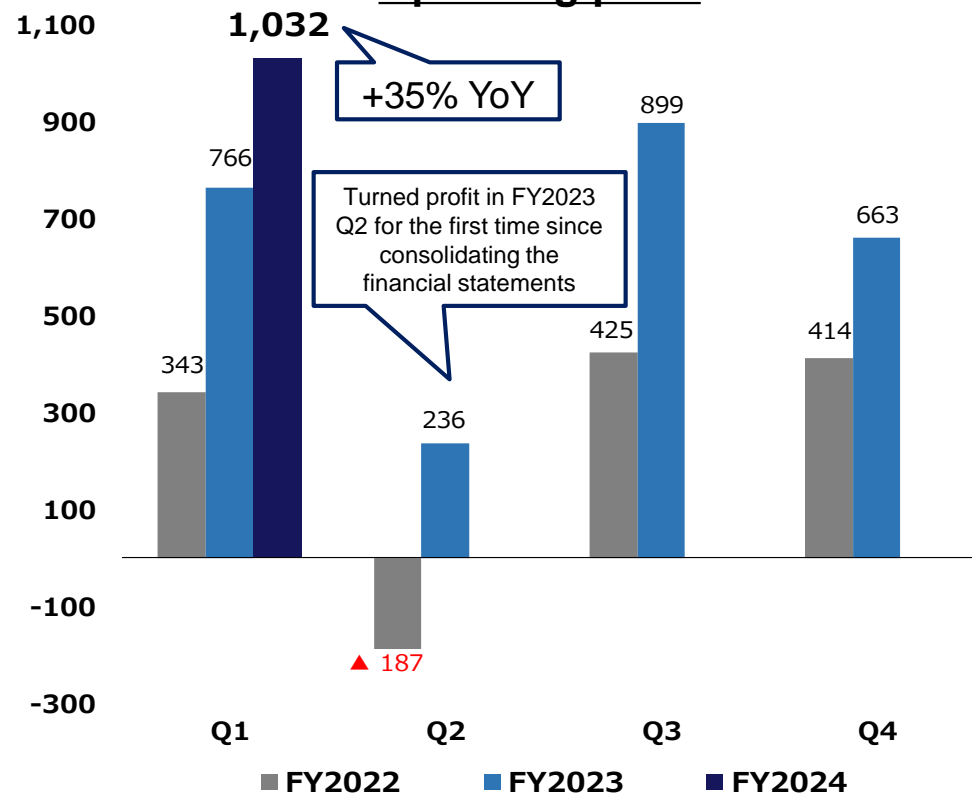
Net sales

(Unit: million yen)



(Unit: million yen)

Operating profit



Operating profit

ratio	Q1	Q2	Q3	Q4
FY2024	12.5%	-	-	-
FY2023	11.4%	3.9%	11.9%	8.5%
FY2022	6.1%	▲3.7%	6.9%	6.5%

Purchase Results by Merchandise, and Sales Results by Business and by Merchandise (Consolidated)

- Good results with sales coming to 123% YoY and purchases 134% YoY
- Well-balanced growth achieved in each category

Purchases

■ Reuse Business: Purchase Results by Merchandise

(Unit: thousand yen)

Item	Total	Composition ratio	Year on year
Household items	180,726	5.0%	120.3%
Apparel	1,534,143	42.8%	141.8%
Fashion items	950,193	26.5%	125.2%
Electric appliances	321,536	9.0%	140.7%
Furniture	81,341	2.3%	104.0%
Hobby-related items	294,551	8.2%	133.6%
Other *1	223,766	6.2%	142.0%
Total	3,586,258	100.0%	134.0%

*1 Side expenses are included in "Other" under Purchase Results.

Sales

■ Reuse Business: Sales Results by Merchandise

Item	Net sales	Composition ratio	Year on year
Household items	450,110	5.6%	100.4%
Apparel	3,812,131	47.3%	129.2%
Fashion items	1,786,288	22.2%	126.2%
Electric appliances	867,920	10.8%	114.6%
Furniture	340,443	4.2%	107.0%
Hobby-related	602,114	7.5%	118.4%
Other *2	190,846	2.4%	156.7%
Total	8,049,856	100.0%	123.5%

*2 Sales of other merchandise and moving-related sales are included in "Other" under Sales Results.

POINTS

[Sales trends]

- House-hold items remained relatively flat from the same period of the previous year in which sales surged.
- Apparel sales increased by 29.2% due to strong demand for reuse fashion items backed by expansion of demand to go out in the spring season, in addition to a base increase of online sales.
- Branded items and other fashion items achieved an increase of 26.2% due to strong sales targeting international visitors.
- Electric appliances sales increased 14.6% in response to new lifestyle demands.
- Hobby-related item sales continue to grow since the pandemic, achieving an increase of 18.4%.

Changes in KPIs

- Sales from non-consolidated existing stores grew by approximately 12%, exceeding the 7% growth achieved in Q1 of the previous fiscal year.
- Purchases, a leading indicator of sales for Q2 and beyond, increased by more than 30% YoY on both a consolidated and non-consolidated basis.
- While in-store sales is growing significantly, e-commerce sales is also growing, maintaining a relatively steady EC ratio.

		FY2023 Q1	FY2024 Q1
Existing stores, non-consolidated	Year-on-year sales	107.1%	111.7%
	Gross profit ratio	67.3%	66.5%
No. of new stores	Q1	6 stores	6 stores
Purchases	Year-on-year purchases, consolidated	119.7%	134.0%
	Year-on-year purchases, non-consolidated	115.3%	133.5%
EC	EC ratio, consolidated	13.1%	12.7%
	EC ratio, non-consolidated	9.9%	10.2%

POINTS

[Existing stores, non-consolidated]
 ✓ Increase in sales: Both number of sales and price per sales rose, surpassing the 7% growth in sales in Q1 of the previous fiscal year and exceeding 10%.

✓ Lower gross profit ratio: Merchandise with high cost rates and high unit prices, such as branded items and hobby-related items such as trading cards, sold particularly well.

Additionally, supplies of new home appliances were short in Q1 of the previous fiscal year, but sales prices and profit ratio now returned to normal levels.

[EC]
 While e-commerce sales are increasing as a result of streamlining online listings, EC ratio remains relatively flat as in-store sales is also growing.

Changes in Selling, General, and Administrative Expenses (Consolidated)

- SG&A increased approximately 18% in total.
- SG&A ratio decreased another 2.0 pts from Q1 of the previous fiscal year in which SG&A ratio dropped 4.2 pts, coming to 50.2%.

(Unit: thousand yen)

	FY2023 Q1	FY2024 Q1	Year on year
Personnel expenses	1,772,975 (26.3%)	2,037,040 (24.7%)	114.9% (▲1.6pt)
Rent expenses	765,084 (11.4%)	865,299 (10.5%)	113.1% (▲0.9pt)
Depreciation	73,030 (1.1%)	96,524 (1.2%)	132.2% (0.1pt)
Utilities expenses	85,425 (1.3%)	89,836 (1.1%)	105.2% (▲0.2pt)
Advertising expenses	71,346 (1.1%)	105,691 (1.3%)	148.1% (0.2pt)
Job advertisement	29,127 (0.4%)	45,597 (0.6%)	156.5% (0.2pt)
Supplies expenses	67,825 (1.0%)	108,447 (1.3%)	159.9% (0.3pt)
Amortization of goodwill	4,174 (0.1%)	4,174 (0.1%)	100.0% (0.0pt)
Other	644,774 (9.6%)	790,328 (9.6%)	122.6% (0.0pt)
Total SG&A	3,513,762 (52.2%)	4,142,940 (50.2%)	117.9% (▲2.0pt)

*Figures in parentheses indicate the net sales ratio

POINTS

- Advertising expenses linked to sales increased as online dress rental business and e-commerce sales performed well.
- Job advertisement expenses increased as a result of strengthening hiring.
- Supplies expenses increased due to more new stores and higher unit prices of supplies.

Balance Sheets Overview (Consolidated)

- Steady performance with ROE of 9.7% and ROIC of 6.1% as of Q1.

(Unit: million yen)

	End of FY2023	End of FY2024 Q1	Increase/de crease
Current assets	9,697 (66.2%)	10,382 (66.8%)	685 0.6pt
Of which, merchandise	5,087 (34.7%)	5,638 (36.2%)	550 1.5pt
Non-current assets	4,962 (33.8%)	5,159 (33.2%)	197 ▲0.6pt
Total assets	14,659	15,541	882
Current liabilities	5,563 (37.9%)	5,957 (38.3%)	393 0.4pt
Non-current liabilities	2,279 (15.5%)	2,355 (15.2%)	76 ▲0.3pt
Net assets	6,815 (46.4%)	7,227 (46.5%)	412 0.1pt
Equity ratio	46.1%	45.8%	▲0.3pt

ROE	
FY2023 Q1	FY2024 Q1
10.8%	9.7%

ROIC	
FY2023 Q1	FY2024 Q1
5.7%	6.1%

ROA	
FY2023 Q1	FY2024 Q1
4.4%	4.5%

*ROIC = (operating profit × (1 - effective tax rate)) / (equity capital + interest-bearing debts)

*Equity capital = Shareholders' equity + cumulative amount of other comprehensive income

Performance of Group Companies

- Performance of each Group company remains steady from the previous period



Kindal

Thanks to increase in international visitors mainly at urban stores and recovery of inbound tourism sales due to the weak yen, sales increased 50% YoY bringing significant increase in revenue and profit.



PickUP JAPAN

Apparel and home appliances sold well through improvement of sales floors and other measures, and sales increased at existing stores, resulting in an increase in revenue and profit with sales increasing by around 5% YoY.



GK Factory

The directly-managed Adachi-ku, Tokyo store performed steadily, collaborating with the parent company in the appraisal of golf gear. Development of staffing system, etc. in progress to open new directly-managed stores.



Business in Thailand

Doubled the sales floor area of the first store in August 2022. Currently operating 3 stores. Both sales and purchases were steady, achieving increase in revenue and profit.



Business in Taiwan

Opened the first store in New Taipei City in mid-December 2022. Working to establish a sales team and revenue base for first store.



Treasure Factory
Technologies

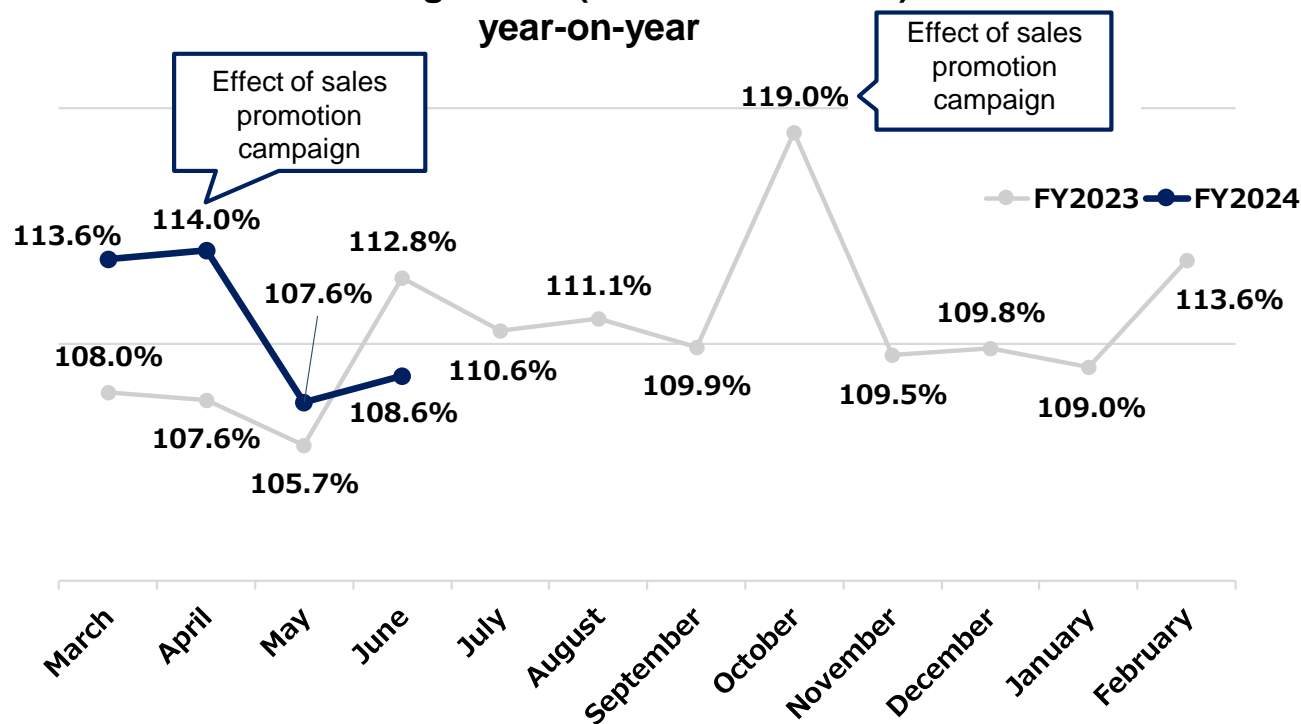
Responsible for the development of Group's internal systems, e-commerce websites, and apps, as well as receiving orders of outside system development projects.

2. Changes in Important Key Performance Indicators for Fiscal Year Ended February 29, 2024

Progress on KPIs—Existing Stores (Non-consolidated)

- Both number of sales and prices per sales rose, and net sales at existing stores (non-consolidated) increased by almost 12% YoY.
- Demands for reuse items remain high, and the number of sales rose further by 6% from Q1 of the previous year in which a growth of 5.7% was achieved.
- Prices per sales rose 5.4% backed by recovery in inbound tourism sales.
- Exceeded 100% YoY for 22 consecutive months from Sept. 2021 through June 2023.

Changes in monthly sales of existing stores (non-consolidated) year-on-year



Cumulative Q1 sales of existing stores (non-consolidated)

	Year on year
Net sales	111.7%
Number of sales	106.0%
Price per sale	105.4%

Progress on KPIs—New Stores (Consolidated)

- Under the plan to open about 25 stores during the fiscal year, we completed the opening of 6 stores as of the end of Q1.
- Expect to open 6 stores and relocate 1 store in Q2 (June-Aug.), planning to complete the opening of 12 stores and relocation of 1 store by the end of the first half.
- As of the release of these presentation materials, plans to open 17 new stores and relocate 1 store are finalized, with other prospective plans under consideration.

Breakdown of the 6 stores opened during FY2024 Q1 (by business & geographic location)

[By business category]



General reuse: 1 store



Style: 3 stores



UseLet: 1 store



Kindal: 1 store

[By geographic location]

Tokyo: 1 store

Kanagawa: 1 store

Chiba: 1 store

Osaka: 2 stores

Hyogo: 1 store

Total floor area
1,963.5
sq. meters



UseLet Mukogaoka-yuen Store (Kanagawa Pref.)
Opened on March 11



Aeon Mall Funabashi Store (Chiba Pref.)
Opened on April 14




Aeon Mall Kobe-minami Store (Hyogo Pref.)
Opened on April 28

Progress on KPIs—Purchases by Channel

- All channels grew in a well-balanced manner, each achieving around 30% growth YoY.


(1) Consolidated purchases

FY2023 Q1  FY2024 Q1
34.0%
increase

(2) In-store purchases (non-consolidated)

FY2023 Q1  FY2024 Q1
27.8%
increase

(3) Home-delivery purchases (non-consolidated)

FY2023 Q1  FY2024 Q1
28.7%
increase

(4) Home-visit purchases (non-consolidated)

FY2023 Q1  FY2024 Q1
30.6%
increase

3. Performance and Dividends Forecasts, and Medium-term Profit and Loss Projections

Performance Forecasts for FY2024

- As of the release of these presentation materials, interim performance forecasts were revised upward while full-year forecasts were left unchanged.
- The revised interim performance forecasts have been incorporated in the Q1 settlement, and projected net sales and gross profit ratio for non-consolidated existing stores for Q2 (June-August) have been revised.
- While demands for reused items are anticipated to continue in Q3 and beyond, specific outlook for growth of non-consolidated existing stores are difficult to establish at this time. Therefore, forecasts announced at the beginning of the fiscal year are left unchanged, and the full-year performance forecasts will be reviewed and revised as necessary based on future progress.

(Unit: million yen)	Interim forecast					Full-year forecast		
	Revised forecast	Previous forecast (Published in April)	Revised forecast vs previous forecast change	Previous fiscal year first-half results	Revised forecast year on year	Full-year forecast (Published in April)	Previous fiscal year full-year results	Year on year
Net sales	15,729	14,809	6.2%	12,825	122.6%	31,560	28,212	111.9%
Operating profit	1,387	1,206	15.0%	1,002	138.4%	2,857	2,565	111.4%
Operating profit ratio	8.8%	8.1%	-	7.8%	-	9.1%	9.1%	-
Ordinary profit	1,398	1,215	15.1%	1,032	135.5%	2,874	2,622	109.6%
Ordinary profit ratio	8.9%	8.2%	-	8.0%	-	9.1%	9.3%	-
Profit attributable to owners of parent	909	790	15.1%	665	136.6%	1,868	1,710	109.2%
Net profit margin	5.8%	5.3%	-	5.2%	-	5.9%	6.1%	-
Earnings per share (yen)	39.13	34.09	-	29.90	-	80.74	76.31	-
Dividend per share (yen)	12.00	10.00	-	6.00	-	23.00	18.50	-
Dividend payout ratio	-	-	-	-	-	28.5%	24.2%	-

Assumptions & supplementary information on interim performance forecasts

• Existing stores, non-consolidated
 ✓ Net sales: June results came to 8% increase YoY. Accordingly, July forecasts were set at 8% increase and August forecasts at 5% increase, averaging 7% increase overall for Q2 (June-August).
 Forecasts at the beginning of the fiscal year assume Q2 performance to remain roughly on par with the previous fiscal year.

✓ Gross profit ratio: Forecasts for Q2 (June-August) were revised downward by 0.6% YoY based on Q1 results.
 Forecasts at the beginning of the fiscal year assume Q2 performance to remain roughly on par with the previous fiscal year.

Assumptions & supplementary information on full-year performance forecasts

Full-year forecasts were left unchanged as of the release of these presentation materials.
 Forecasts for non-consolidated existing stores at the beginning of the fiscal year assume 7% growth in Q1, and relatively the same level as the previous fiscal year after Q2. Full-year gross profit ratio is assumed to remain on par with the previous fiscal year.

*The Company carried out a 2-for-1 stock split (common stocks) as of March 1, 2023. Earnings per share and dividends per share reflect the impacts of said stock split.

Revision of Dividends Forecast

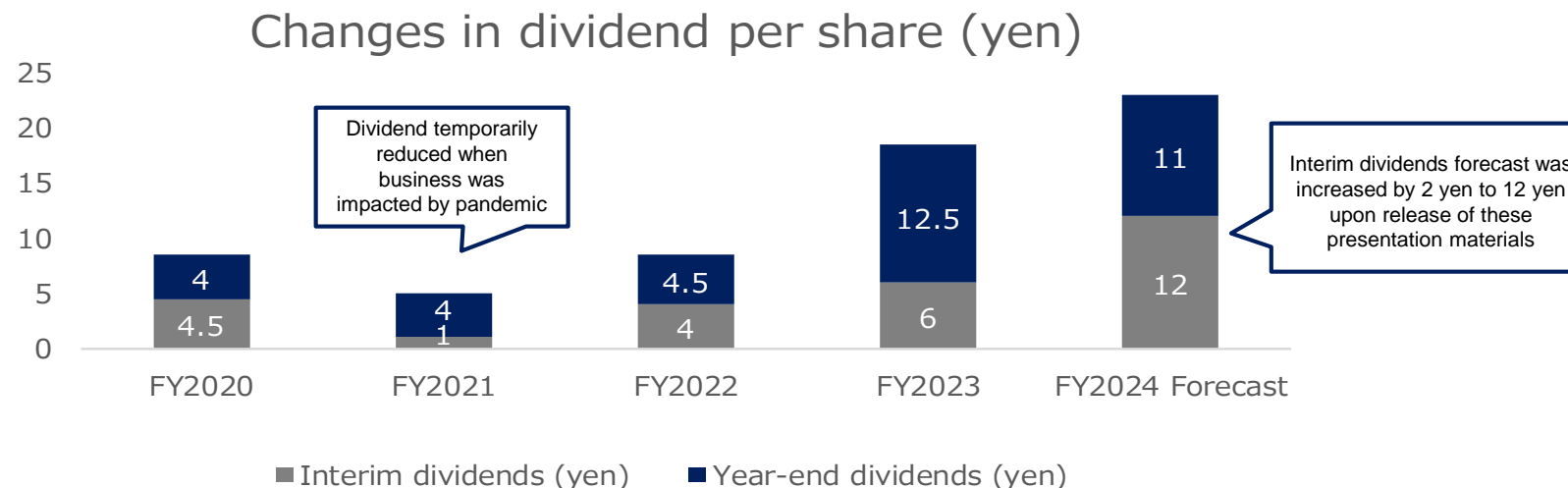
- In line with the upward revision of the interim performance forecasts, the interim dividends forecast was increased by 2 yen.
- As a result of these revisions, the annual dividends forecast is 23 yen, and the dividend payout ratio forecast is 28.5%.

- **Basic policy on allocation of profit** Continuously pay out dividends in line with earnings by taking into consideration the balance between shareholder returns and the need to strengthen the financial foundation by bolstering internal reserves.
Immediate target payout ratio shall be **30% or greater**.

- **Dividends forecast**

Interim dividends forecast

Upon release of these presentation materials, dividends per share were revised to **12 yen per share, an increase of 6 yen** from the previous fiscal year.



*The Company carried out a 2-for-1 stock split (common stocks) as of March 1, 2023. Dividends per share reflects the impacts of said stock split.

4. Medium-Term Management Plan

Management Policies to Achieve the Medium-Term Management Plan

Policy 1

Development of reuse business

- (1) Open 25 to 35 new stores per year, mainly in the Kanto, Kansai, Chubu, and Kyushu regions, to expand the reuse network. These stores will serve as physical purchase and sales locations and also as hubs for online sales.
- (2) Through recovery of earnings of the Group's reuse companies, achieve continuous contribution to consolidated profit.

Policy 2

Investment in new businesses

- (1) Expand the distribution bases in Kanto and Kansai regions for full-scale deployment of the B2B auction business.
- (2) Accelerate growth by offering our original moving and removal business plus purchasing services at the same time. In addition to partnering with moving companies, the Company will have its own moving and removal division to provide moving services.
- (3) Continue investing in the rapidly growing rental business to create a new pillar of business.

Policy 3

Growth in overseas markets

- (1) The Thailand business turned a single-year profit in the fiscal period ended November 2021 and will establish a stable profit structure and promote the opening of new stores going forward.
- (2) In Taiwan, which the Company newly entered, we aim for early opening of the first store to establish a reuse business model and achieve a single-year profit.

Policy 4

Growth through M&A

Actively conduct M&A of companies that can supplement the Company's business, including other reuse companies and moving companies, which will enable us to leverage synergies within the Group.

Policy 5

Growth through investments in digital transformation

Utilize the development capabilities of the Company's systems division and the system developer subsidiary to streamline operation using AI, improve the efficiency of appraisals, and create opportunities for new purchases and sales through digital investments to increase the Group's revenue.

Medium-term Profit and Loss Projections (FY2024–FY2026)

- No revisions to the April 2023 announcement as of the release of these presentation materials.
- For FY2026, we forecast net sales of 39.3 billion yen and ordinary profit of approx. 3.7 billion yen.

(Unit: hundred million yen)	FY2023 results	FY2024	FY2025	FY2026	Three-year average of annual growth rates (CAGR)
Net sales	282	315	354	393	11.7%
Ordinary profit	26.2	28.7	32.5	36.7	11.9%
Ordinary profit ratio	9.3%	9.1%	9.2%	9.3%	-
Profit attributable to owners of parent	17.1	18.6	21.5	24.3	12.4%
Stores to be opened per year	20	25-30	25-30	30-35	-

POINTS

•FY2024: Non-consolidated sales at existing stores are forecast at +7% YoY in Q1, and assume the same levels as the previous fiscal year for Q2 and beyond.

•FY2025 & FY2026: Sales from non-consolidated existing stores and gross profit ratio are planned assuming that results will remain at the same level as the fiscal year immediately before.

Assumptions and notes on the Plan

- As there are many uncertain elements related to M&A, increase in profit and expenses for M&A, including intermediary fees, are not included in the Plan.
- The Plan may be impacted in the event the Company fails to secure the number of new store properties as originally assumed.
- The Plan may be significantly impacted in the event of unexpected situations, such as the spread of COVID-19.
- The Medium-Term Management Plan may be revised as necessary.

Capital Policy and Shareholder Return Policy

● Capital policy

- Increase capital through exercise of share acquisition rights: Raise up to approximately 190 million yen from March 2023 to May 2024; dispose 360,000 treasury shares.
- Purchase of treasury shares: Place emphasis on comprehensive shareholder returns that combine dividends and share buyback. Purchase of treasury shares will be conducted in a timely manner based on trends in stock price and status of funds on hand.
- The Company will determine the use of treasury shares it holds, such as the disposal of its treasury shares in order to exercise its share acquisition rights, or use as compensation for M&A. If such utilization is not practical, the Company will cancel the treasury shares in a timely manner.

● Dividend policy and target payout ratio

Continuously pay out dividends in line with earnings by taking into consideration the balance between shareholder returns and the need to strengthen the financial foundation by bolstering internal reserves

- Target dividend payout ratio of 30% or higher
- Dividend outlook: the Company plans to increase dividends in line with the continuous growth of net income

Outlook for Earnings per Share, Dividends, and Dividend Payout Ratio

	FY2024	FY2025	FY2026
Profit attributable to owners of parent (hundred million yen)	18.6	21.5	24.3
Earnings per share (yen)	80.74	92.80	104.91
Expected dividends Dividend per share (yen)	23.0	25.0	30.0
Dividend payout ratio	28.5%	26.9%	28.6%

*Earnings per share is subject to changes depending on progress in exercise of share acquisition rights and purchase of treasury shares going forward.

*Expected dividends may change due to status of business results, etc.

Funding Plan for FY2024-FY2026

● Funding plan

- Operating cash flows expected to hover between 1,700 million to 2,000 million yen per year
- Bank loans: net increase of 500-600 million yen in accumulated total over 3 years
- Procure funds of about 6,000 million yen in accumulated total over 3 years

● Capital investment plan

- Investments in new stores: 1,000-1,300 million yen per year
- Investments of approximately 3,300-3,400 million yen in accumulated total expected to be made over 3 years (including investments in store facilities and security deposits for new stores)

● Shareholder return plan

- Outlook for total dividends for each fiscal year based on dividend forecast
FY2024: approximately 500 million yen
FY2025: approximately 600 million yen
FY2026: approximately 700 million yen

Three years total: approximately 1.80 billion yen
- Purchase of treasury shares will be conducted in a timely manner based on trends in stock price and status of funds on hand

5. Initiatives for ESG/SDGs

ESG Policy

Treasure Factory promotes business activities from the standpoint of the three elements of ESG and aims to contribute to the establishment of a recycling society through its core business of reuse as well as achieve symbiosis with society and provide new value. The company will realize highly reliable management meeting the expectations of various stakeholders including customers, employees, business partners, and shareholders.

Environment The Environment

- Reduce CO₂ through reuse business
- Utilize LED lighting
- Engage in activities to conserve the environment (cleaning activity at head office, Mt. Fuji cleaning activity)

Social Society

- Support the development of employees
- Promote recruitment of people with disabilities
- Enhance the shorter working hour system
- Approach social issues through new businesses
- Invest in start-up companies
- Develop young executives

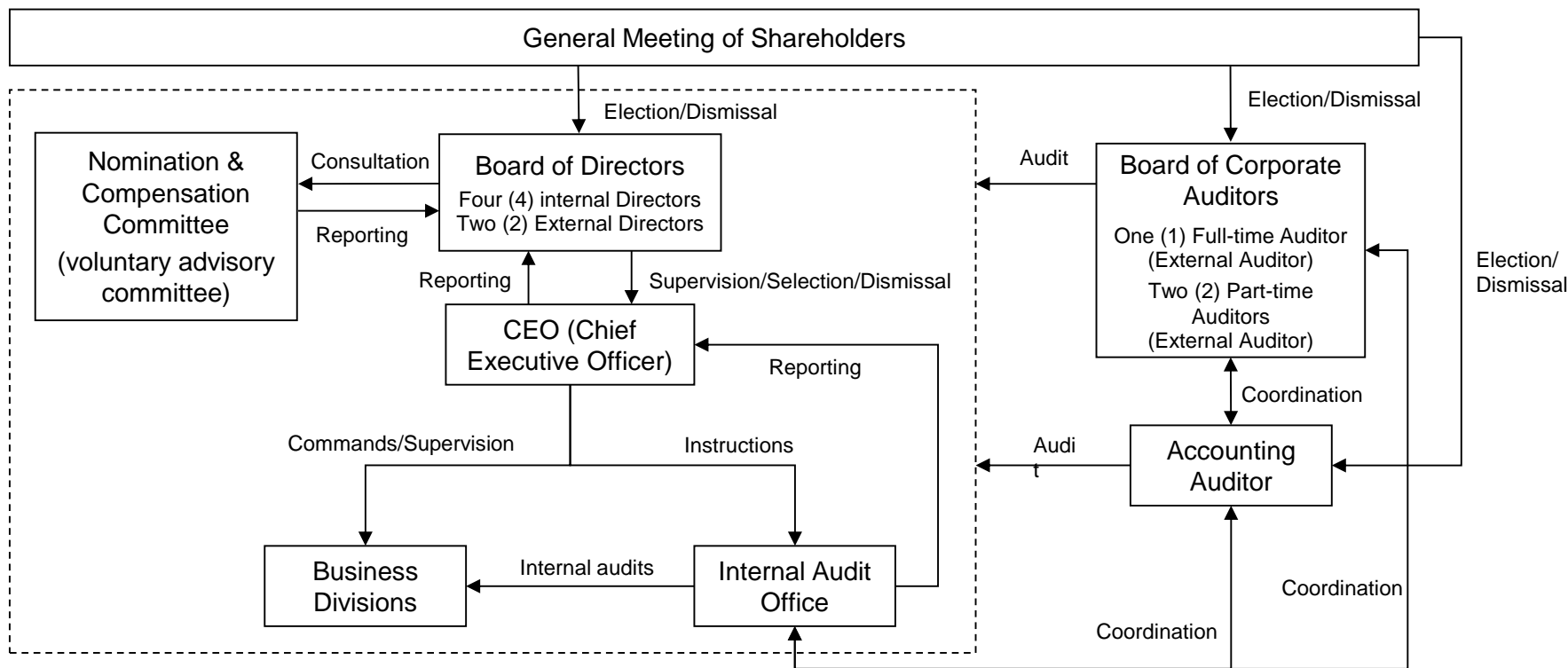
Governance Governance

- Strengthen the corporate governance framework

Corporate Governance Framework

Overview of Corporate Governance

In order to ensure highly reliable management that meets the expectations of various stakeholders including shareholders and investors, the Company appoints Directors and Auditors who possess knowledge on corporate management, finance, accounting, laws, internal control, etc., and adopts a governance framework as shown below.



POINTS

The Company has established the Nomination & Compensation Committee as a voluntary advisory body to the Board of Directors. In order to enhance the fairness, transparency, and objectivity of procedures related to the nomination and compensation, etc. of Directors, the Committee deliberates on matters regarding the nomination and compensation of Directors, and submits advice and recommendations to the Board of Directors.

Governance—Initiatives for Governance

		Unit	FY2021	FY2022	FY2023
Internal Directors	Male	Number of people	4	4	4
External Directors	Male	Number of people	1	1	1
	Female		1	1	1
Percentage of External Directors		-	33.3%	33.3%	33.3%
Percentage of female Directors		-	16.7%	16.7%	16.7%
External Auditors	Male	Number of people	3	3	3

*Data to be updated in May every year

*Data to be updated in May every year

Environment—Initiatives for the Environment

		Unit	FY2021	FY2022	FY2023
CO ₂ emissions	Scope 1	tCO ₂	155	154	184
	Scope 2		4,990	5,398	5,399
	Total		5,145	5,552	5,583

*Note 1: Scope 1 emissions include CO₂ emissions from gasoline. Scope 2 emissions include CO₂ emissions from electricity.

*Note 2: Scope 1 emissions are calculated by estimating the amount of gasoline consumption (from data on costs of fuel purchased within the Company and the average of gasoline prices during each period) and applying the emission coefficient.

Scope 2 emissions are calculated using the location-based method, taking the electricity consumption and applying the emission coefficient (alternative value set forth by the Ministry of the Environment).

*Note 3: Scope 2 emissions are calculated based on data from 176 locations for which the amounts of electricity consumption were calculable.

	Unit	FY2021	FY2022	FY2023
CO ₂ emissions per unit (per sales of one million yen)	tCO ₂ /million yen	0.329	0.308	0.253

		Unit	FY2021	FY2022	FY2023
Amount of CO ₂ emissions reduced by recycling	Four goods subject to home appliance recycling	ton	14,933	13,060	14,658
	Apparel		13,168	15,636	19,163
	Furniture		2,838	2,976	3,091
	Subtotal of major categories		30,939	31,672	36,912

*Note 1: The four goods subject to home appliance recycling are washing machines, refrigerators, TVs, and air conditioners. Amounts for the four goods and furniture are calculated based on the Ministry of the Environment's Visualization Tool for 3R Initiatives.

*Note 2: Amounts for apparel are calculated based on the Ministry of the Environment's Visualization Tool for 3R Initiatives.

Social—Initiatives for Society

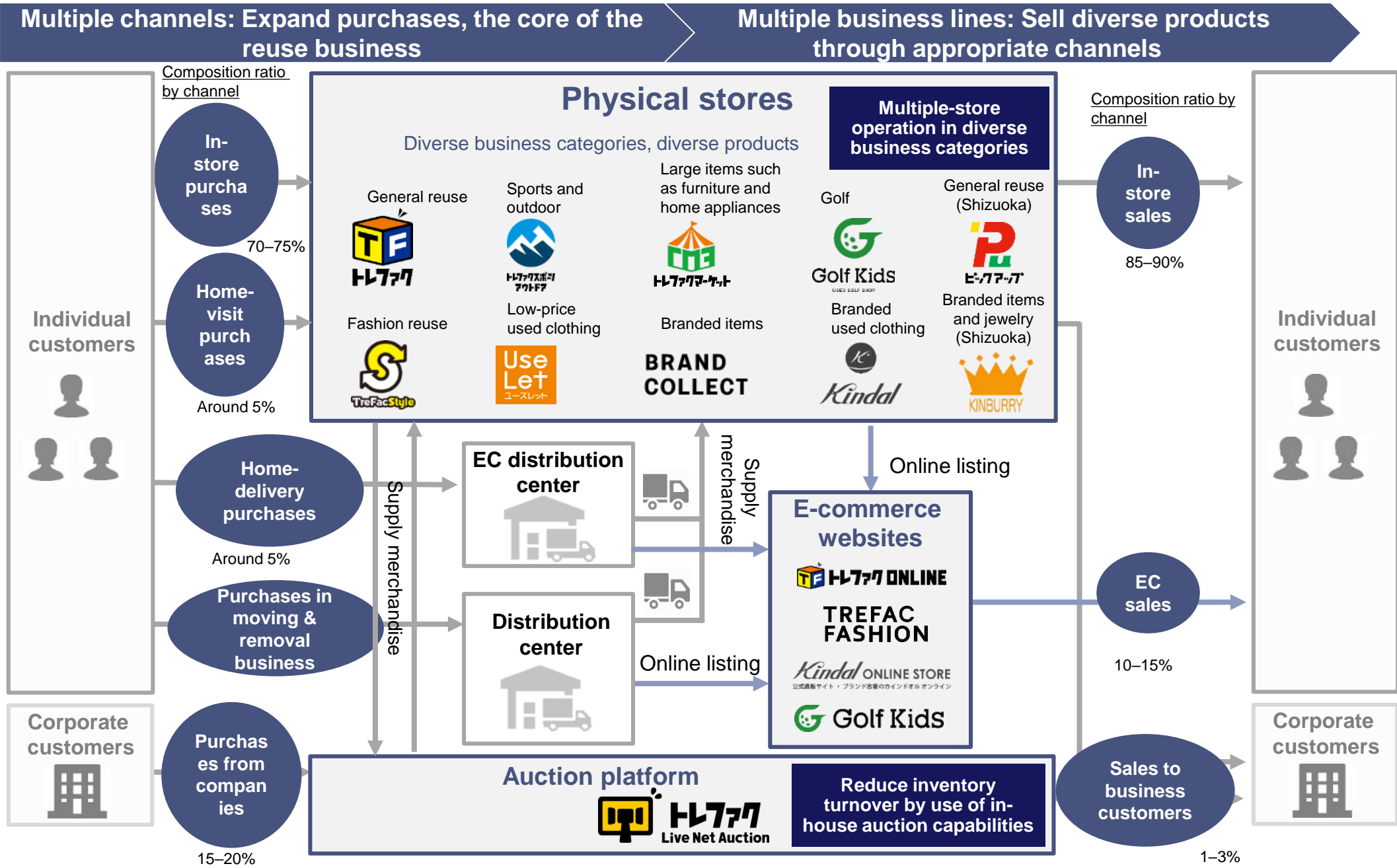
	Unit	FY2021	FY2022	FY2023
Number of new recruits		41	61	89
Number of mid-career recruits	Number of people	32	62	41
Total number of recruits		73	123	130
Number of full-time employees		618	690	776
Number of part-time employees	Number of people	1,543	1,679	2,083
Total number of employees		2,161	2,369	2,859
Number of female full-time employees		81	97	128
Number of female part-time employees	Number of people	986	1,061	1,274
Total number of female employees		1,067	1,158	1,402
Percentage of female full-time employees	-	13.1%	14.1%	16.5%
Percentage of female part-time employees	-	63.9%	63.2%	61.2%
Percentage of female employees	-	49.4%	48.9%	49.0%
Number of in-house training sessions	sessions	89	128	167
Percentage of paid leave used	-	64.7%	61.6%	66.6%
Number of employees taking child care leave	-	21	27	24

1. Business Model and the Company's Strengths



Business Model

Purchases in multiple categories through multiple channels



Competitive Advantages of the Company

The Company has established competitive advantages by creating a unique business model. Based on its system development capabilities, the Company will constantly improve its business model and services to maintain its competitive advantages in a sustainable manner.

Purchasing in multiple categories through multiple channels

- Purchasing of approximately 1.2 million purchases of approximately 10 million items through in-store, home-visit, home-delivery purchases, purchases from companies, purchases in moving & removal, and purchases through auctions (for each, 20% increase year on year).
- Capable of purchasing in all genres by utilizing the system for general reuse

Multiple-store operation in diverse business categories

- By possessing diverse business categories, the Group has established a multiple-store operation system which allows opening of new stores in various locations
- By handling different categories, different types of Group stores can be located close to each other

Reduction of inventory turnover period with the use of in-house auction capabilities

- Cash out early items that are difficult to sell in general retail and slow moving inventory through the use of in-house auction
- Having the auction channel enables the Company to purchase a broader range of items, leading to increased purchasing

System development and data analysis capabilities

- With its in-house systems development division and subsidiary for system development, the Group will develop its own systems, apps, and online sales systems to make improvements quickly
- Established a system in which data is updated on a real time basis, data of all bases are shared, and the PDCA cycle based on data analysis is rapidly reflected

Strength #1:

Capacity to Sell under Multiple Business Lines Strategy

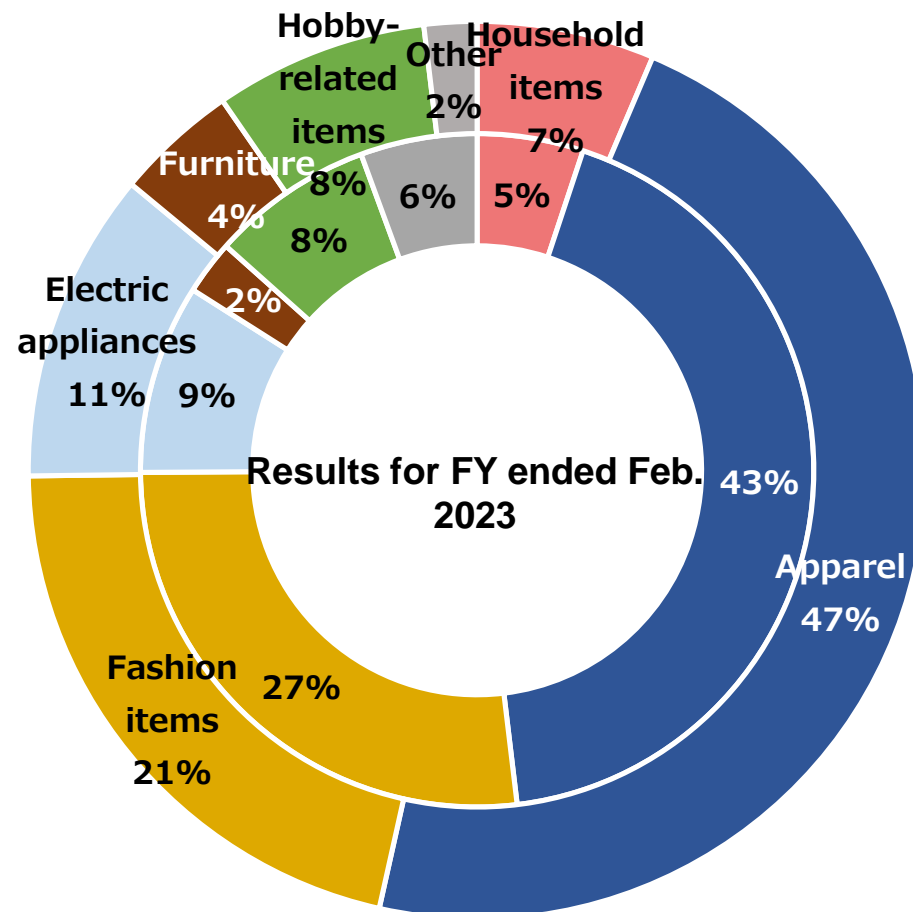
For each product genre, build sales floors equivalent to those of stores selling new products.












Strength 1: Capacity to Sell under Multiple Business Lines Strategy

We maintain portfolios of diverse products in both purchases and sales, achieving stable growth in net sales

Composition ratio of sales (outer ring) and purchases (inner ring)



Strength #1 Supplementary Explanation: Multiple Stores

Multiple Stores	Concept and Items	Typical Location
Flagship brands	 Concept: General Reuse Stores Items: A wide range of products	<ul style="list-style-type: none"> • Along major roads • Inside shopping malls
	 Concept: Fashion Reuse Stores Items: A wide range of fashion items	<ul style="list-style-type: none"> • Areas within a 10-minute walk from train stations • Areas close to major train stations • Inside shopping malls
Specialty brands	 Concept: Sporting & Outdoor Reuse Store Items: Sporting goods and outdoor gear	<ul style="list-style-type: none"> • Along major roads
	 Concept: Used clothing outlet stores Items: Low-priced fashion items	<ul style="list-style-type: none"> • Near train stations in the Tokyo metropolitan area • Areas crowded with people such as shopping arcades • Suburbs
	BRAND COLLECT Concept: Luxury brand reuse stores Items: High-end branded goods, jewelry, and other high-priced items	<ul style="list-style-type: none"> • Central Tokyo (Omotesando and Harajuku) • Areas also popular among visitors from overseas
	 Concept: Large suburban reuse stores Items: Furniture, interior products, and home appliances	<ul style="list-style-type: none"> • Suburbs in Kanto region • Along major roads
Group Companies	 Concept: Brand-name apparel reuse stores Items: Domestic and imported brand goods	<ul style="list-style-type: none"> • Urban areas in Kanto and Kansai regions • Areas where residents are fashion sensitive
	 Concept: Golf goods reuse store Items: Golf equipment and apparel	<ul style="list-style-type: none"> • Along major roads • Inside shopping malls
	 Concept: General Reuse Stores in Shizuoka prefecture	<ul style="list-style-type: none"> • Along major roads
	 Concept: Branded items & jewels reuse stores in Shizuoka prefecture	<ul style="list-style-type: none"> • Along major roads

The multiple-channel purchasing network provides benefits for customers and leads to an increase in purchases—the core of the reuse business. An array of products can be purchased through the wide sales network.

Type of transactions and purchases	Items	Characteristics and benefits for customers
Face-to-face transactions In-store purchases	All genres	Multiple item can be brought in and converted into cash in a single transaction. Gain a sense of security through face-to-face transactions.
Home-visit purchases Purchases in removal business	Mainly large items such as home appliances and furniture	Offers the best purchasing scheme for large items among major competitors Distribution system covers a wide expanse of the Tokyo metropolitan area
Non-face-to-face transactions Home-delivery purchases	Apparel, fashion items	Purchasing goods delivered from across the nation Alliances with Amazon and other online shopping giants
Transactions with companies Purchases from companies	Purchases of unused furniture, home appliances, sundries, and retained stock in a single transaction, etc.	Stock is constantly replenished through the dedicated purchasing division and distribution network

**Steady purchases and sales of large products.
The handling of furniture and electric appliances is top
class in the industry.**



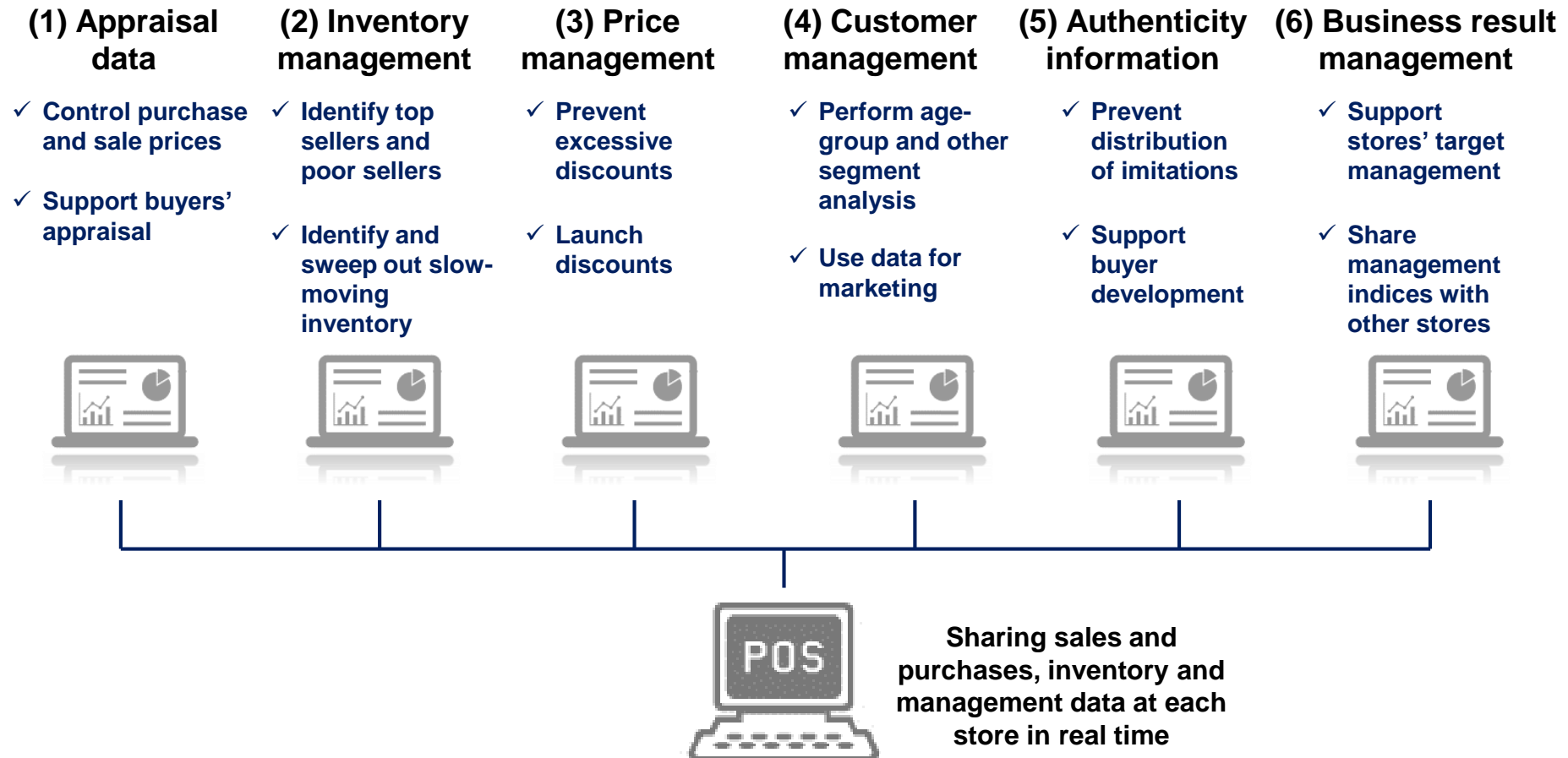
- **Improve the home-visit purchase system**
- **Improve the product distribution network**



Exhibit adequate inventory of home appliances and furniture at each store

Product management expertise is important in the reuse business dealing in one-of-a-kind products.

The Company has developed its own POS system using its item-by-item management expertise, enhanced since the Company's foundation. The system is used as the foundation of store management and functionality of the system continues to be enhanced.



2. Corporate Overview and History

Company name:	Treasure Factory Co., Ltd.
Representative:	Eigo Nosaka, President & CEO
No. of employees:	907 (full-time employees only as of the end of May 2023)
Fiscal year end:	February
Foundation:	May 25, 1995
Address of head office:	3 Kandaneribeicho, Chiyoda-ku, Tokyo, Japan
Capital stock:	906 million yen (as of the end of May 2023)
Business description:	Reuse store operations Online sales and purchases of reuse items Operation of “Cariru,” EC Dress Rental business Operation of Treasure Factory moving service Operation of Treasure Factory Real Estate business Operation of auctions
Management philosophy:	Treasure Factory provides people with pleasure, discoveries and excitement.
Origin of the Company name	Treasure Factory: “A factory for finding new value in used goods” With a rich lineup of rare one-of-a-kind products, we provide customers with the joy of buying and selling disused articles, all in one place, and the excitement of discovering unique products that can be found nowhere else.



Mission Statement

“To create new commonalities in society”

- We will be innovative in making the world a better place and create new value.**
- We will accumulate new value to create new commonalities in society.**

Vision

The Treasure Factory Group will accumulate new value that is unique to us and become a corporate group that is relied upon by all.

And, through innovation and challenge, we aim to continue growing for 300 years.

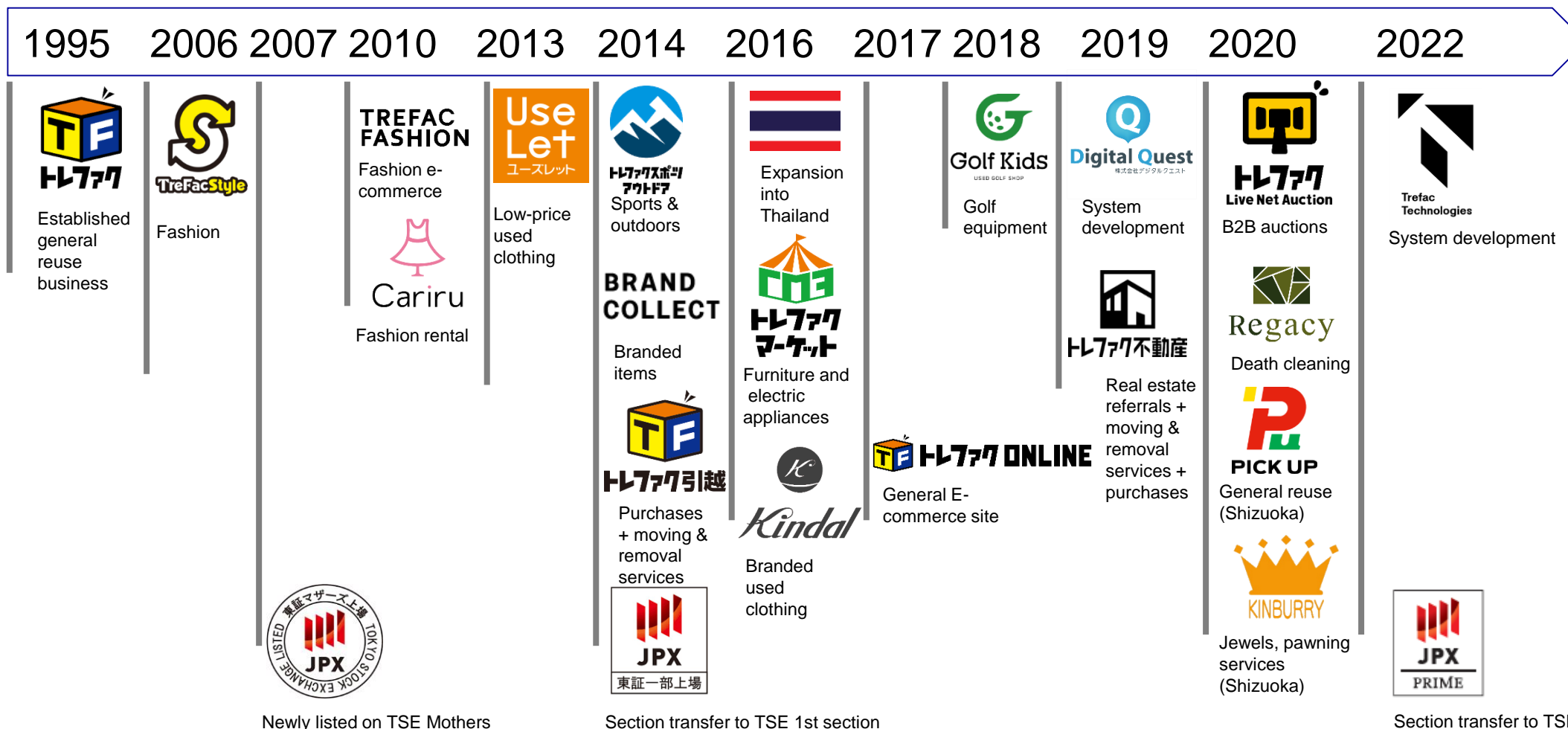
History(1/2) 1995-2014

- May 1995 Established Treasure Factory Y. K. (limited private company) in Yokohama City, Kanagawa Prefecture
- Oct. 1995 Opened the Company's first Treasure Factory Adachi Head Office comprehensive recycling store in Toneri, Adachi-ku, Tokyo
- Nov. 1998 First expansion into Saitama Prefecture; Opened the Treasure Factory Soka Store in Soka City, Saitama Prefecture
- Dec. 1999 Increased capital to 10 million yen and reorganized Treasure Factory as a joint-stock company (Kabushiki Kaisha)
- Sep. 2000 Established a distribution center in Iriya, Adachi-ku, Tokyo
- May 2002 Relocated the corporate headquarters to Takenotsuka, Adachi-ku, Tokyo
- Mar. 2003 First expansion into Kanagawa Prefecture; Opened the Treasure Factory Tsurumi Store in Yokohama City, Kanagawa Prefecture
- Jul. 2004 Commenced franchise operations; Opened the Treasure Factory Iwaki-Kashima Store as the first franchise store in Iwaki City, Fukushima Prefecture
- Oct. 2006 Commenced a new business for dedicated clothing & fashion accessories stores, Treasure Factory Style; Opened the first store in Chiba City, Chiba Prefecture
- Dec. 2007 Listed on the Mothers Section of the Tokyo Stock Exchange (TSE)
- Feb. 2008 Relocated the corporate headquarters to Umejima, Adachi-ku, Tokyo
- Feb. 2010 Opened the Treasure Factory Style online store
- Oct. 2010 Launched Cariru, a brand-name bag and fashion rental business
- Jul. 2012 Expansionary relocation of the style center to Midori-ku, Sagami-hara City, Kanagawa Prefecture
- May 2013 First expansion into Hyogo Prefecture; Opened the Treasure Factory Kobe Shin-Nagata Store in Kobe City, Hyogo Prefecture
- Jun. 2013 Expansionary relocation of the distribution center to Minami-ku, Saitama City, Saitama Prefecture
- Nov. 2013 Commenced a new business for providing a wide range of fashion products at low cost, UseLet; Opened the first store in Kuki City, Saitama Prefecture
- Mar. 2014 First expansion into Osaka Prefecture; Opened the Treasure Factory Kishiwada Store in Kishiwada City, Osaka Prefecture
- Sep. 2014 Commenced a new business dedicated to sports and outdoor goods, Treasure Factory Sports; Opened the first store in Yokohama City, Kanagawa Prefecture
- Oct. 2014 Launched a business dedicated to used brand clothing, Brand Collect
- Dec. 2014 Moved from the TSE Mothers Section to list on the First Section of the TSE

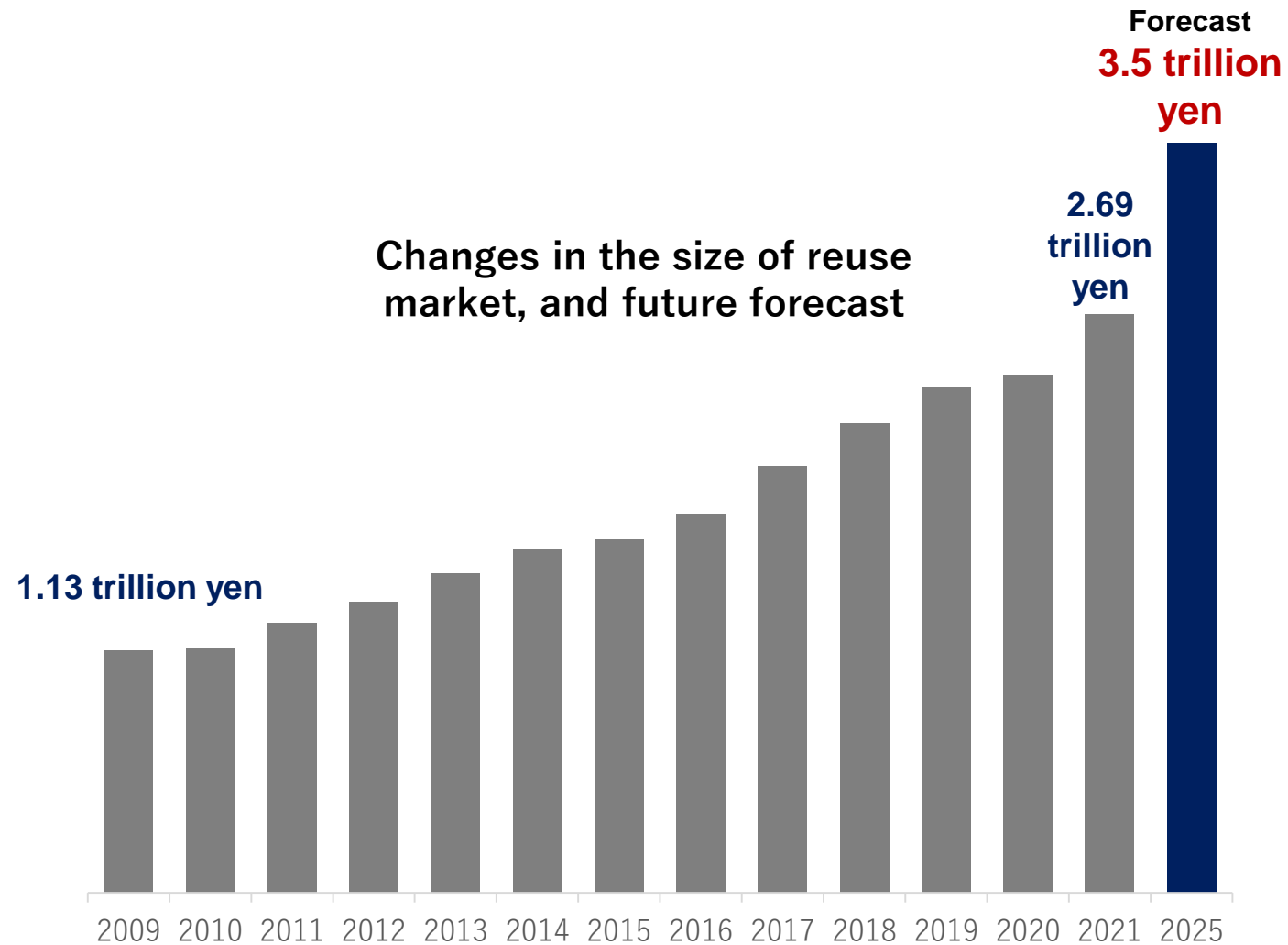
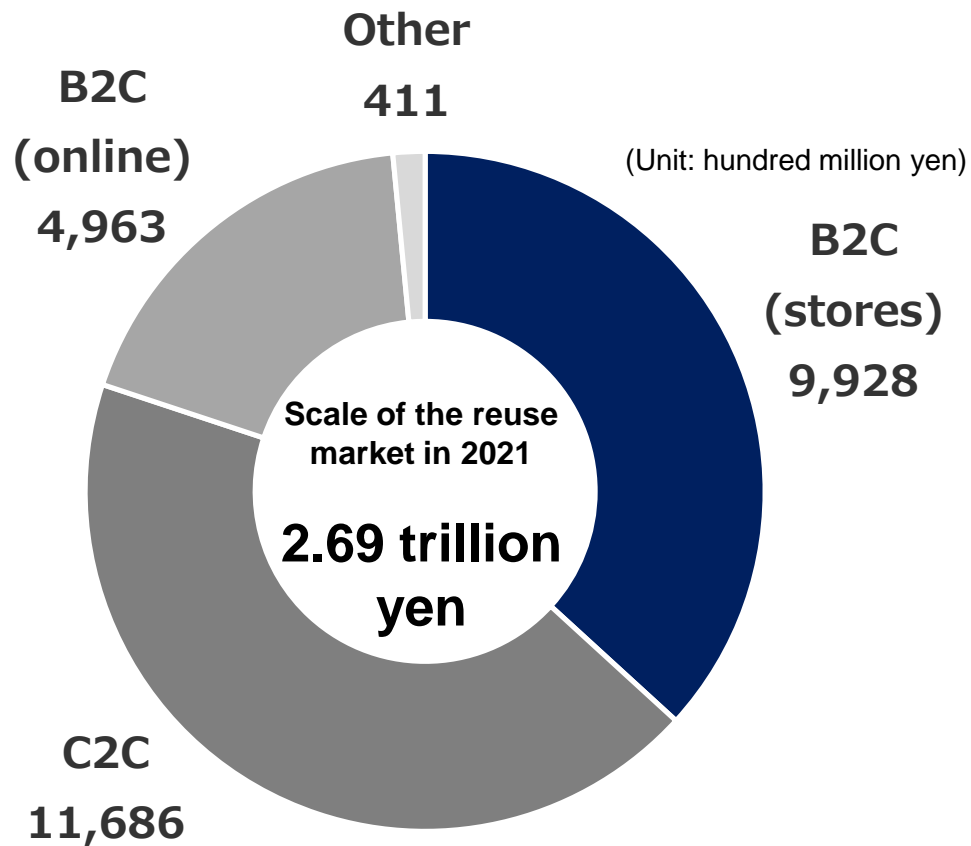
History(2/2) 2016-2022

- Mar. 2016 Established an affiliate in Thailand
- Jul. 2016 Relocated the head office to Kanda, Chiyoda-ku, Tokyo
- Jul. 2016 Opened the first overseas store, Treasure Factory Sukhumvit 39, in Bangkok, Thailand
- Aug. 2016 Launched Treasure Factory Market, a new business format of large-scale stores that handle mainly electric appliances and furniture, and opened first store in Chiba City, Chiba Prefecture
- Sep. 2016 Acquired shares of K.K. Kindal to make it a wholly owned subsidiary
- Oct. 2017 Opened the general reuse online store, Treasure Factory Online
- Mar. 2018 Acquired shares of GOLF Kids Co., Ltd. to make it a subsidiary
- Jan. 2019 Acquired shares of Digital Quest Corporation to make it a subsidiary
- Feb. 2020 Acquired shares of STANDING OVATION and concluded a capital and business alliance with the company
- Oct. 2020 Acquired shares of PickUP JAPAN to make it a wholly owned subsidiary
- Nov. 2020 Launched Regacy, an end-of-life decluttering and death cleaning business
- Apr. 2021 Established an affiliate in Taiwan

With the reuse business at its core, the Company stably provides new services and builds unique business platforms to meet customer needs



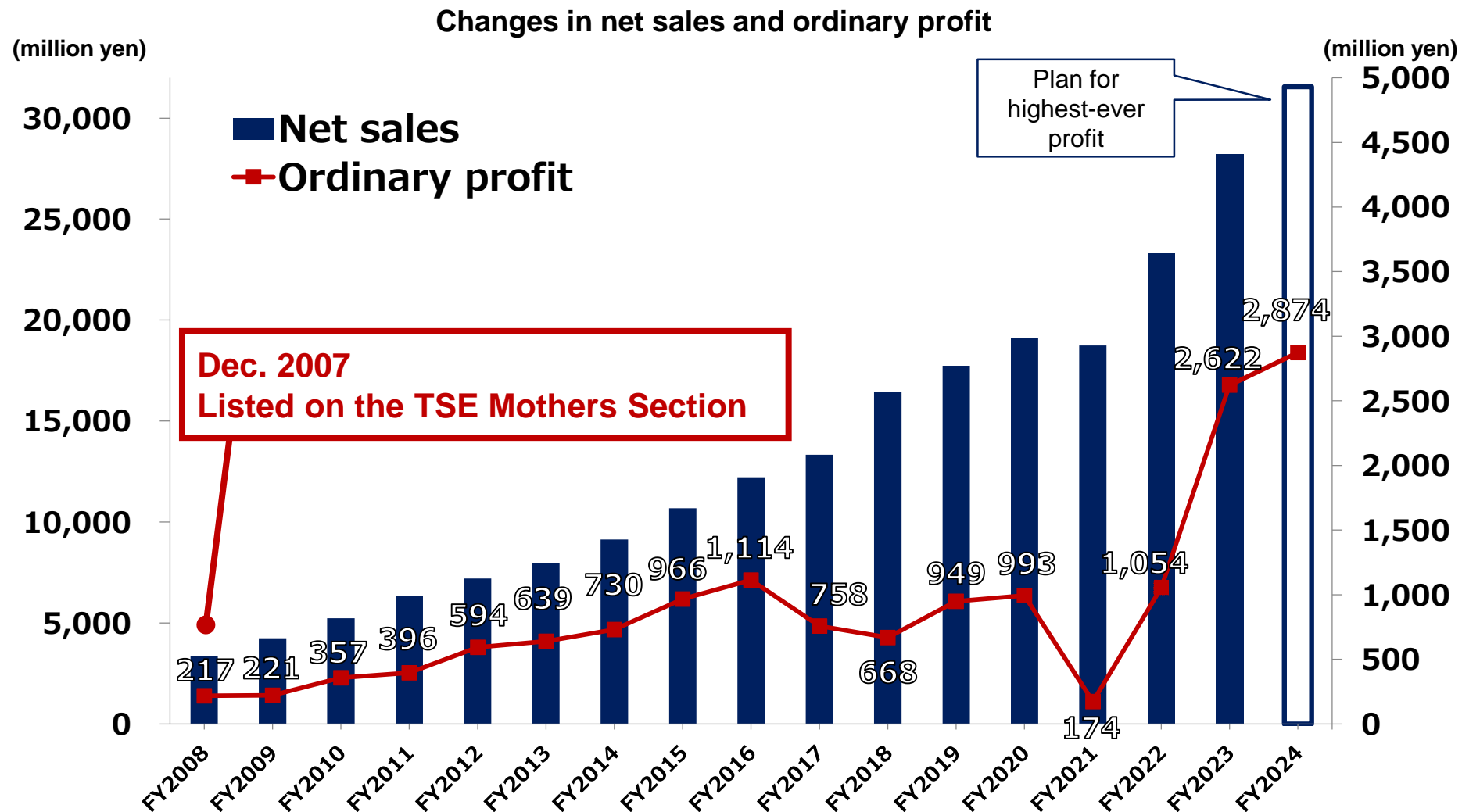
Reuse Market Trends



Source: "Secondhand Business Data Book 2022," The Reuse Business Journal

Changes in Sales and Ordinary Profit, Future Forecast

By achieving continuous growth, plan to mark record-breaking profit in FY2024



*1

*1 Changed to consolidated financial settlement from the fiscal year ended February 28, 2017

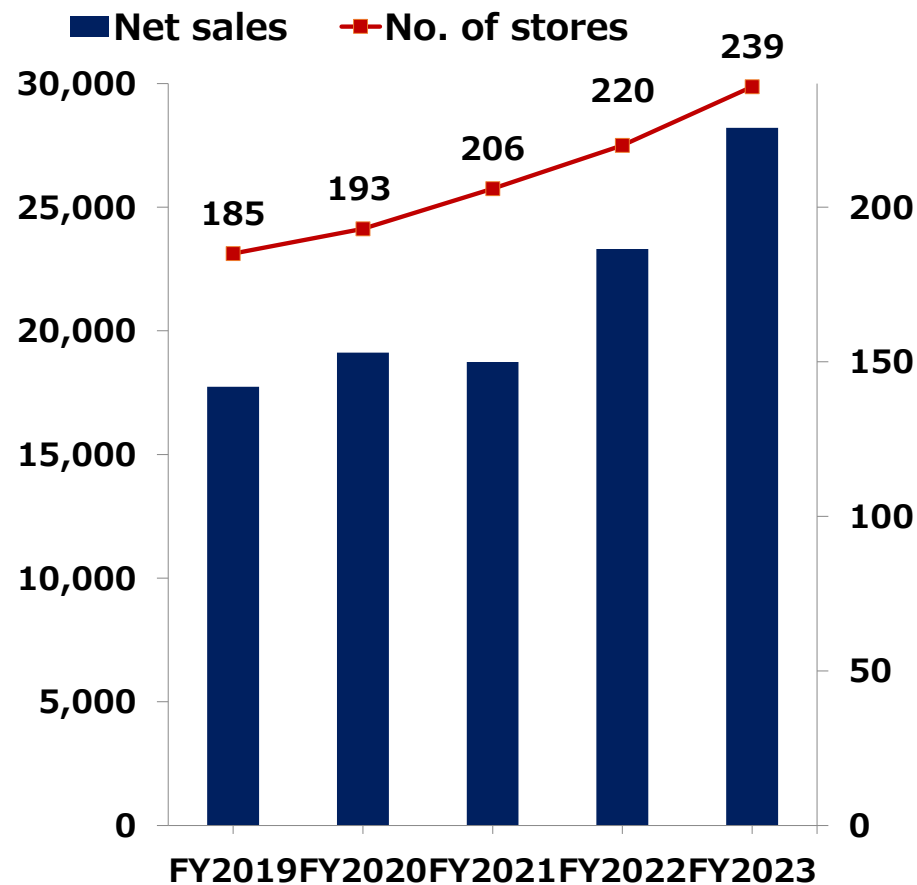
Consolidated Performance for the Past 5 Years

As a result of management improvement after new investment in M&A and other areas, the Company shifted to achieving increase in revenue and profit from FY2019

Income and profit decreased temporarily in FY2021 due to the COVID-19 pandemic, but significantly recovered in FY2022

Changes in net sales and number of stores

(Unit: million yen)

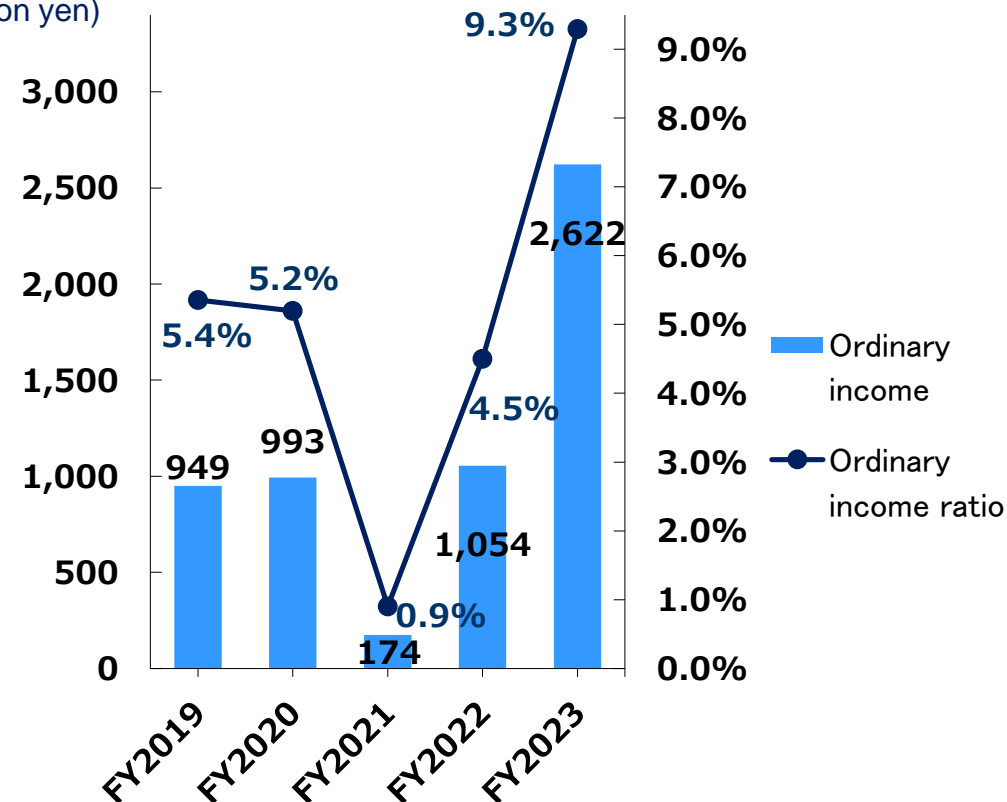


Changes in ROE

2019年2月期	2020年2月期	2021年2月期	2022年2月期	2023年2月期
13.8%	11.6%	▲3.0%	15.6%	29.8%

Changes in ordinary profit and ordinary profit ratio

(Unit: million yen)



Physical stores with e-commerce websites

General Reuse



Specialized Reuse

Sporting Goods and Outdoor Goods



トレファクスポーツアウトドア
Treasure Factory Sports Outdoors

Furniture, electric appliances, etc.



トレファクマーケット
Treasure Factory Market

Golf



Golf Kids
USED GOLF SHOP
GOLF Kids (subsidiary)

General Reuse (Shizuoka-based)



PICK UP
PickUP JAPAN (subsidiary)

Fashion Reuse



Low-price range



UseLet

Luxury brands



Brand Collect

High-price range

Branded used clothing



Kindal (subsidiary)

Branded items & jewels



Kinburry (subsidiary)

Services

Removal + Purchase Service



トレファク引越

B-to-B Online Auction



トレファク Live Net Auction

Simultaneous Purchase of House & Household Goods



トレファク不動産

End-of-life decluttering services











Regacy
EC Dress Rental



Number of Group Stores

Number of Group Stores: 250 (including 216 directly-managed stores)

As of July 31, 2023

Prefecture	 トレファ	 TreFacStyle	 トレファスポーツ アクト	 Use Let ユースレット	BRAND COLLECT	 トレファ ファクト	 Kindal	 Golf Kids	 P	Total by Prefecture/ City	
Kanto	Tokyo	15	34	2	3	6	—	18	3	—	81 stores
	Kanagawa	10	11	1	2	—	—	—	1	—	25 stores
	Saitama	17	8	3	4	—	—	—	—	—	32 stores
	Chiba	11	9	2	—	—	1	—	—	—	23 stores
	Tochigi	1	—	—	—	—	—	—	1	—	2 stores
	Gunma	—	1	—	—	—	—	—	—	—	1 store
	Ibaraki	2	—	—	—	—	—	—	—	—	2 stores
Chubu	Shizuoka	—	—	—	—	—	—	—	—	12	12 stores
	Aichi	4	3	—	—	—	—	1	1	—	9 stores
Hokuriku	Niigata	—	—	—	—	—	—	1	—	—	1 store
Kansai	Shiga	—	—	—	—	—	—	1	2	—	3 stores
	Wakayama	—	—	—	—	—	—	1	—	—	1 store
	Kyoto	1	—	—	—	—	—	3	1	—	5 stores
	Osaka	9	10	—	—	—	—	9	5	—	33 stores
	Hyogo	2	2	—	—	—	—	3	1	1	9 stores
Kyushu	Fukuoka	3	—	—	—	—	—	—	—	—	3 stores
Tohoku	Fukushima	4	—	—	—	—	—	—	—	—	4 stores
Thailand	Bangkok	3	—	—	—	—	—	—	—	—	3 stores
Taiwan	Taiwan	1	—	—	—	—	—	—	—	—	1 store
Total by business category		83 stores	78 stores	8 stores	9 stores	6 stores	1 store	37 stores	15 stores	13 stores	250 stores



General Reuse Stores **Treasure Factory**



General Reuse Stores with items including furniture, electric appliances, apparel, miscellaneous and brand goods



Fashion Reuse Stores **Treasure Factory Style**



Used Apparel Stores with a wide range of fashion items



**BRAND
COLLECT**

Brand-Name Fashion Reuse Stores

Brand Collect

Compact stores in urban areas, stocking top brand items



**Use
Let**
ユースレット

Fashion Outlet Reuse Stores

UseLet

Outlet stores with a wide range of fashion goods at low prices





Sports and Outdoor Reuse Stores
Treasure Factory Sports

Specializing in outdoor and winter sports goods and other sports products



Suburban Large-Scale Reuse Specialist Stores
Treasure Factory Market

Large-scale stores in suburban areas that handle mainly electric appliances and furniture





Branded used
clothing specialist

Kindal Kindal

Specializing in branded used clothing.
Network of stores mainly in central
locations in Osaka and Tokyo.

Made into subsidiary in September 2016



Nakameguro Store (directly managed)



Golf specialist

Golf Kids **GOLF Kids**
USED GOLF SHOP

Specializing in golf equipment.
Operating mainly in the Tokyo
metropolitan and Kansai areas.

Made into subsidiary in March 2018



Adachi Store (directly managed)



General Reuse Stores

PickUP

General Reuse Stores with items including furniture, electric appliances, apparel, leisure items, industrial tool, and brand goods.
Operating in Shizuoka Prefecture.

Made into subsidiary in October 2020



Hamamatsumiyatake Store
(directly managed)



Branded items & jewels specialist

Kinburry

Specializing in gold, platinum, brand goods, watches, gold tickets.
Operating in Shizuoka Prefecture.

Made into subsidiary in October 2020



Hamamatsutakabayashi Store
(directly managed)

B2B live online auction



B2B online auction for reuse businesses

Mainly dealing in large furniture and electric appliances

- Launched in April 2020
- Operating an auction platform online for reuse business operators
- Mainly dealing in large electric appliances and furniture as well as a wide variety of general household merchandise
- Auctions for branded items held
- Diverse business operators transact on a real-time basis
- The auction site was developed jointly with Digital Quest, which became a subsidiary in January 2019

運営会社概要 | ガイドライン | 利用規約 | お問い合わせ | ログアウト

ホーム > 商品検索 > ローテーブル UNICO KURT 程度(1-10) 4

商品一覧 | 開催情報 | 納品情報 | 会員情報 | **オークション会場に入場する**

出品番号:55 商品ID:55

商品名	ローテーブル UNICO KURT 程度(1-10) 4
商品説明	アツカ 天板気泡多数 程度(1-10) 4
商品種別	家具
個数	1個
サイズ	W1000 D500 H605

落札価格
7,500円

開催分 | 過去分 | 事前入札可 | 自社出品 | 自社落札 | **ファイナルプライス**

<p>9018 2020/8/26 レーンA ダイニングチェア2点セット ブルー 数量:1 スタート額:500円</p>	<p>9034 2020/8/26 レーンA 関家具 テレビボード VALKYRIE オーク材ジャンク 数量:1 スタート額:3,000円</p>	<p>9039 2020/8/26 レーンA 東谷ダイニングテーブル ナテ ユラ丸 数量:1 スタート額:1,000円</p>	<p>9044 2020/8/26 レーンA ニトリ センターテーブル ガラ ス天板 数量:1 スタート額:500円</p>	<p>9052 2020/8/26 レーンA エリシゴコーナーテーブル ダ ークブラウン 数量:1 スタート額:2,000円</p>
<p>9053 2020/8/26 レーンA karimoku お型センターテー ブル ブラウン 数量:1 スタート額:2,000円</p>	<p>9118 2020/8/26 レーンA 2人掛けソファ ダークブラウ ン 数量:1 スタート額:1,000円</p>	<p>9138 2020/8/26 レーンA MOMOnatural 1人掛けソファ ニファブリック アイボリー 数量:1 スタート額:1,000円</p>	<p>9162 2020/8/26 レーンA HERITAGE センターテーブル ブラウン 数量:1 スタート額:2,000円</p>	<p>9177 2020/8/26 レーンA 天童木工 サイドテーブル ナテ ユラ丸 数量:1 スタート額:5,000円</p>

Moving service combined with reuse service



An innovative service that offers purchasing and collection of unwanted items at the same time as moving

- Launched in September 2014
- A service offering moving & removal and purchasing at the same time, reducing the burden of disposing unwanted items and also keeping the costs of moving low by deducting the purchase price from the moving service fee
- Tie-up with over 50 certified moving companies across Japan
- Approximately 200 partners for customer referrals



トレファク引越 4つのメリット

- 1 買取・引越の見積りを同時に行います。
- 2 引越額から買取額分を値引きします。
- 3 買取できない物も処分します。
- 4 買取・処分品は引越直前まで使えます。

Purchase of house & household contents



One-stop service, offering the sale of residential properties, moving, and purchasing of household items

- Launched in October 2019
- A service developed based on requests for the purchase of the real estate properties together with the purchase of unwanted items
- Capable of offering a one-stop service which includes moving, and purchasing and disposal of unwanted items in addition to real estate sales by leveraging the synergy between Treasure Factory's services
- The company can offer services from demolition and renovation of real properties to introducing senior housing though service tie-ups with partner companies



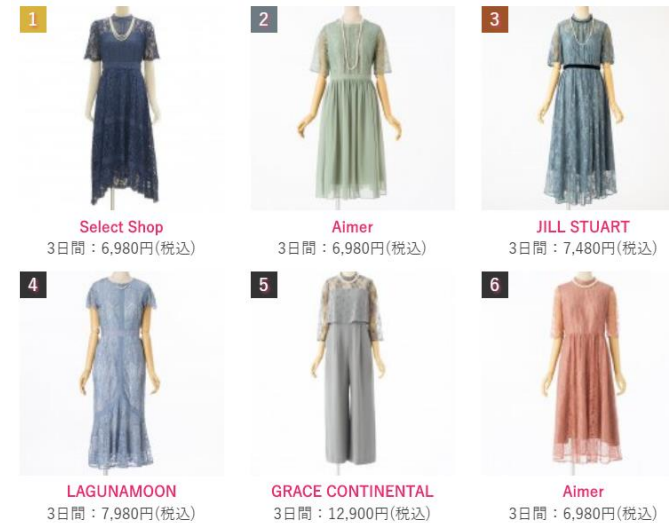
Online dress rental service



Operation of fashion rental site

Renting out dresses and other items online

- Launched in October 2010
- Service renting out dresses, bags, shoes, jewelry, and other items mainly for weddings and other special occasions
- Also handling items that are not often used, such as clothes for expected mothers, suits for enrollment and graduation ceremonies, and *yukata*
- Started a new rental site in April 2021 specializing in formal suits for funerals



Progress of Business in Thailand

Treasure Factory(Thailand) Co., LTD

Sukhumvit 39 store (opened in July 2016)



Phra Khanong store (opened in November 2017)



On Nut People Park store (opened in July 2019)



Developing general reuse stores that can handle a wide range of items and capture many opportunities for reuse.

Dominant strategy in Bangkok, where the population with high purchasing power.

Treasure Ticket

(1) A shopping coupon to the value of 1,000 yen that can be used at our stores and online store sites under our management

(A coupon to the value of 2,000 yen will be given to shareholders holding 400 shares or more.)

(2) A coupon to boost the payment for purchased goods

Shareholders holding one shareholding unit (100 shares) or more will receive a Treasury Ticket which includes:

*The above content of benefits reflects the amendment as announced in the news release, Treasure Factory to Partially Amend Shareholder Benefits dated February 10, 2023.

(1) Shopping coupon

shareholding unit, 1,000 yen coupon



(2) Coupon to boost the purchase price



This material has been prepared to provide information about the Company and is not intended to solicit investment.

The information provided in the material is based on the Company's judgment at the time of the preparation thereof, and the Company does not guarantee the accuracy of such information. The Company asks that investors use their own judgment when making investment decisions.

Note : This document has been translated from the Japanese original for reference purposes only. In the event of any discrepancy between this translated document and the Japanese original shall prevail.

Contact

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(company information and IR information)
<http://www.treasurefactory.co.jp>