



FY 4/2024 (ended April 2024) Q4 Financial Results

June 13, 2024

RACCOON HOLDINGS, Inc. Code: 3031 TSE Prime Market

Message from President and Representative Director

In FY 4/2025, the Company expects to achieve a V-shaped recovery,
double operating income and record-high income

Operating income

1,250 million yen (+120.5% YoY)

Operating income excluding advertising and
sales promotion expenses

2,188 million yen (+12.4% YoY)

The keys to realization:

- **Further promotion of strategy to increase customer numbers in the EC business**
- **Selection and concentration in Financial business**

Formula for growth

Previous fiscal year: Success in shifting strategy from increasing unit sales to increasing customer numbers
Current fiscal year onward: Continue with effects of increased customer numbers through rate structure change and implement effective advertising

Selection and concentration

Previous fiscal year: Achieved growth projected in the medium-term plan
Current fiscal year onward: Concentrate management resources into Paid and URIHO

Based on the return policy, the results of the V-shaped recovery will be
returned to shareholders in a flexible manner

Proposal on reduction of legal capital surplus and legal retained earnings
 scheduled to be submitted at the shareholders meeting in July

Dividends (scheduled)

20 yen
(Dividend payout ratio: 61.2%)

Share repurchases

**Flexible execution depending
 on share price**

*As a policy, loss on liquidation of business related to the withdrawal from the rent
 guarantee business will not be affected in the calculation of the dividend forecast

Summary

Previous fiscal year

Hop (Successful measures to increase customer numbers in the EC business)

Current fiscal year

Step (V-shaped recovery via record profits)

Next fiscal year onward

Jump (Continued growth)

Point (1) EC Business:

In FY 4/2024, the number of buying customers increased significantly owing to a positive effect of measures to acquire Super Delivery customers

Domestic

The number of new member registrations increased by 38.4% YoY* due to the synergistic effect of measures taken in line with the rate structure change

The number of new buying customers increased significantly to +37.8% YoY*

*Comparison on a quarterly basis between FY4/2023 Q4 and FY4/2024 Q4

Meanwhile, although a decline in average sale per customer partially offset GMV growth, a significant increase in the number of buying customers drove growth, resulting in a 5.1% YoY increase in cumulative GMV

Average sale per customer turned to an increase quarter-on-quarter basis in Q4

Average sale per customer being almost bottomed out, the Company assumes that there will be no significant YoY decrease and that the GMV growth rate will approach the growth rate of the number of customers

**Introduced a new membership plan
(launch of a plan with zero membership fees in September 2023)**

**Implemented a welcome back campaign
(September to December 2023)**

International

Awareness increased through new measures via influencers and YouTubers in the U.S. and South Korea

This has led to increased inflows from listing ads and organic search and a significant growth in new member registrations and new buying customers in the U.S. and South Korea, resulting in a YoY GMV growth of over 50% in FY 4/2024 Q4 in both the U.S. and South Korea

GMV in Taiwan was negatively affected by the pushing back of the Chinese New Year, but recovered after the Chinese New Year and turned positive recently

Point (2) Financial Business:

In FY 4/2024, both cumulative transaction value of “Paid” and URIHO guarantee balance at the end of the period continued to increase steadily with double-digit growth

In FY 4/2024, both cumulative transaction value of Paid (+15.9% YoY) and URIHO guarantee balance at the end of the period (+28.0% YoY) continued to increase steadily with double-digit growth

The impact of the decline in external transaction value in Q3 due to the withdrawal of some large member companies of Paid was temporary.

Transaction value by other member companies continued to increase, and returned to a steady growing trend in Q4, standing at +5.6% QoQ.

Rate of cost of sales maintained at an expected level

**Point (3) Results Forecasts:
Aiming for a V-shaped recovery
with record-high income in FY 4/2025**

Point (3) Results Forecasts | Aiming for a V-shaped recovery with record-high income in FY 4/2025

Aiming to increase net sales (+5.0% YoY) and operating income (+120.5% YoY) in FY 4/2025

Net sales excluding the rent guarantee business to be sold are expected to be +12.4% YoY

Estimated loss on liquidation of business related to the withdrawal from the rent guarantee business is reflected in forecasts

In terms of operating income, the Company aims for a V-shaped recovery with record-high income from decreased income due to upfront investments in FY 4/2024

(Unit: Million Yen)	FY 4/2024 Results	FY 4/2025 Forecasts	YoY
Net sales	5,808	6,100	+5.0%
Net sales (Excluding rent guarantee)	5,368	6,031	+12.4%
Operating income	566	1,250	+120.5%
Operating margin	9.8%	20.5%	+10.7pts
Ordinary income	535	1,250	+133.3%
Net income	325	700	+114.7%

Results Forecasts | Net sales

Group net sales are expected to be +5.0% YoY, and group net sales excluding the rent guarantee business to be sold are expected to be +12.4% YoY




Double-digit growth in net sales by service is forecast for all services

Breakdown of Net Sales

(Unit: Million Yen)



Net Sales - Growth Rate

Entire Group		+5.0%
Entire Group (excluding rent guarantee)		+12.4%
EC business		+10.5%
Financial business		+16.9%
		+13.3%
Financial business (excluding rent guarantee)		+15.4%

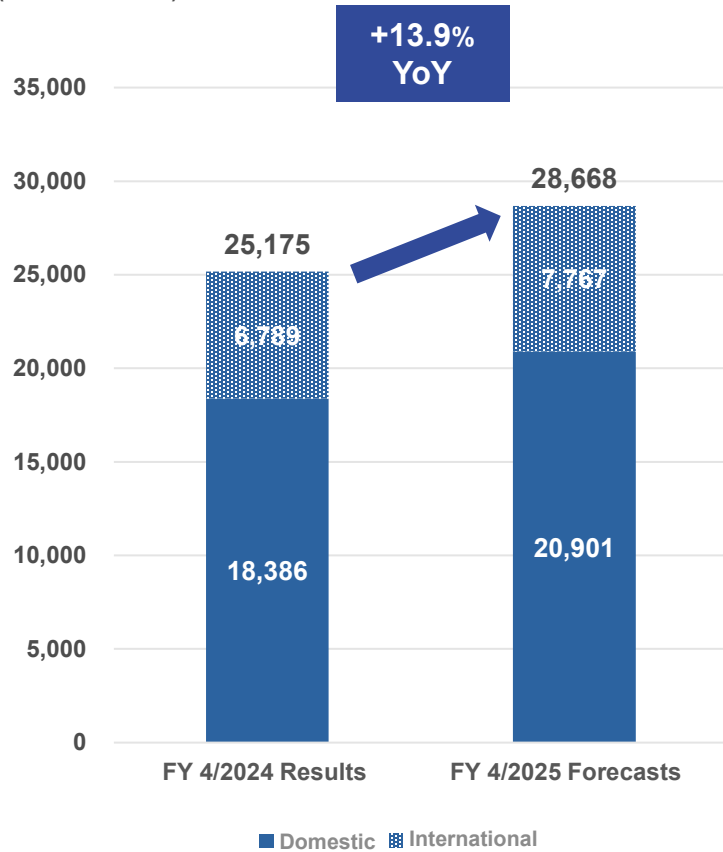
In the EC business, continue measures to increase the number of buying customers, as in the previous fiscal year, and prepare for the improvement in business sentiment among small- and medium-sized retailers

In the Financial business, maintain the current policy and aim for growth by continuing to fine-tune measures



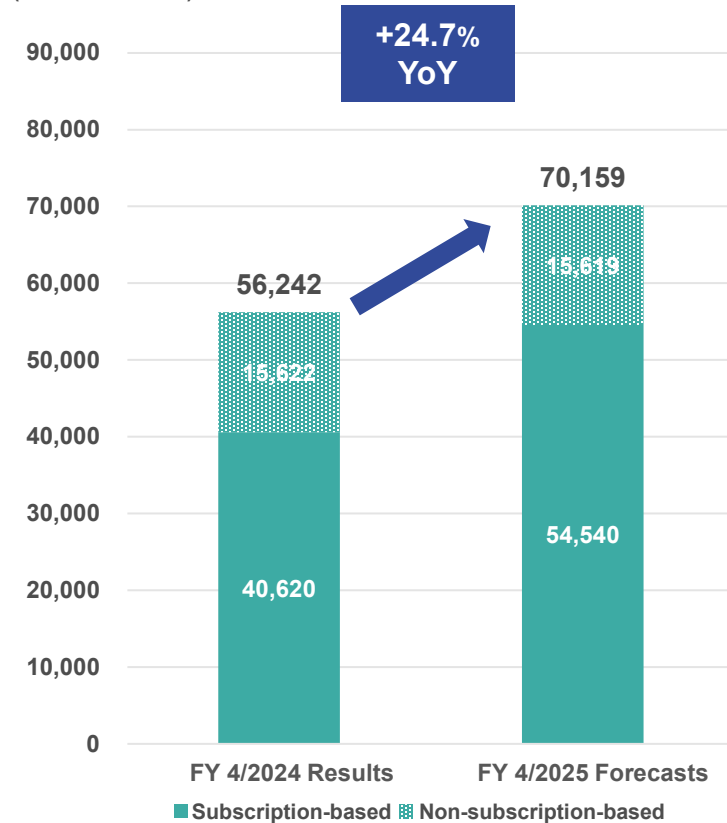
GMV

(Unit: Million Yen)



Guarantee balance

(Unit: Million Yen)



GMV

(Unit: Million Yen)



*Only external transactions

Results Forecasts | Cost of sales/Selling and Administrative Expenses

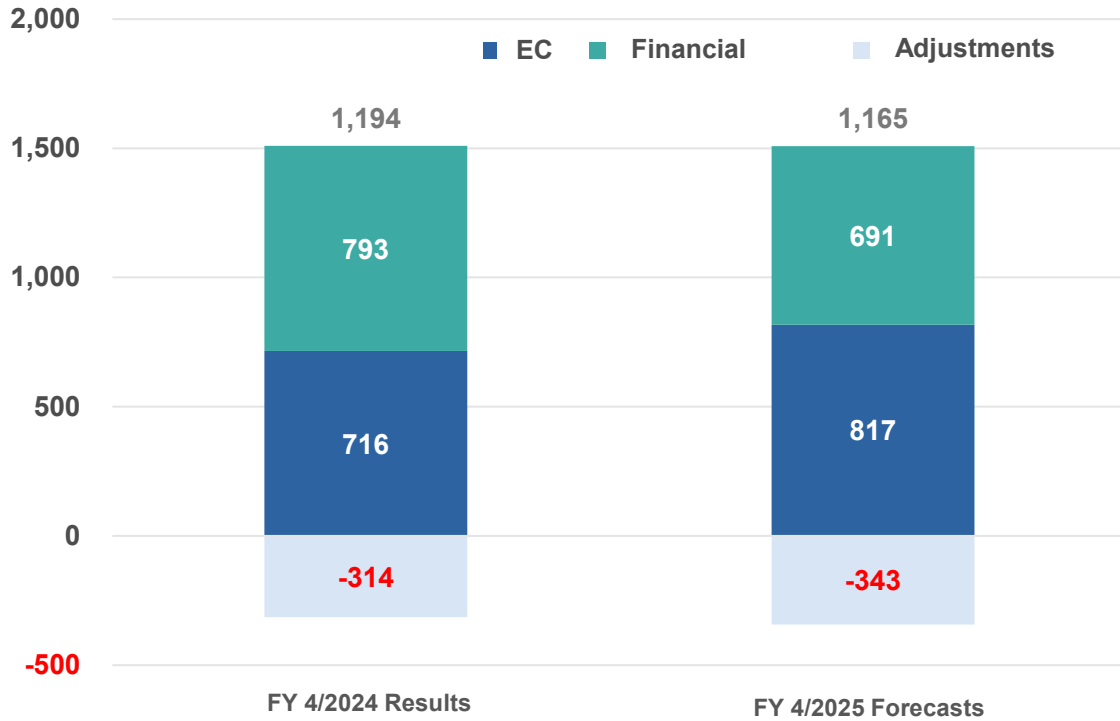
Cost of sales in the Financial business is expected to decrease due to the sale of RENT (planned)

Advertising and sales promotion expenses are expected to decrease as mass advertising is not planned

Personnel expenses will increase mainly due to the impact of base increases. Personnel increase is expected to be similar to previous fiscal years

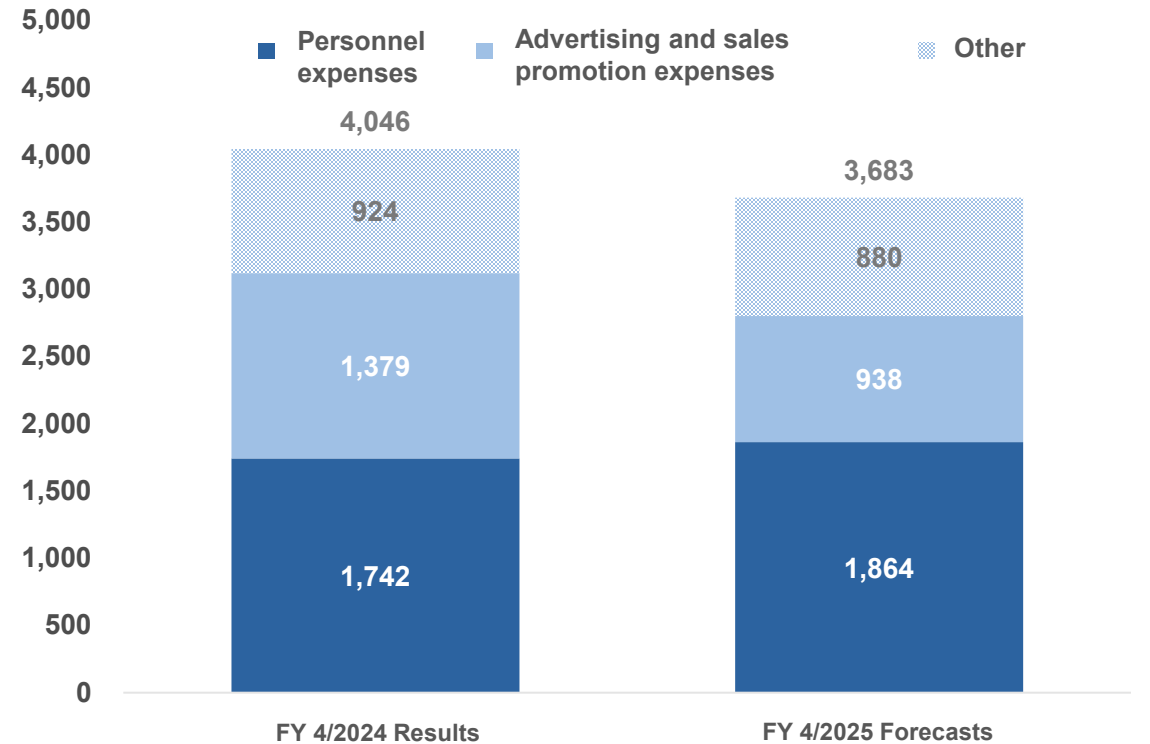
Cost of Sales

(Unit: Million Yen)

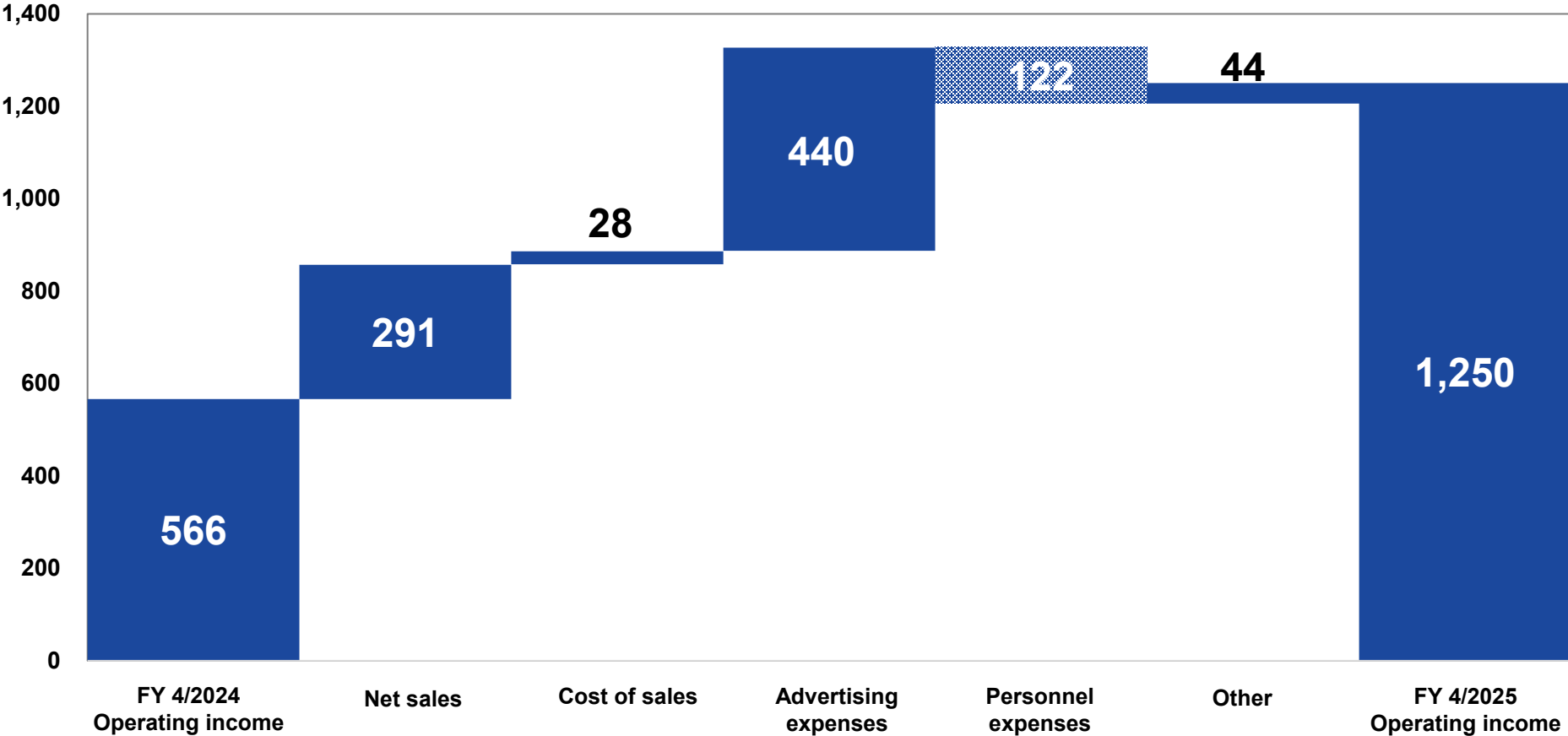


Selling and Administrative Expenses

(Unit: Million Yen)



Increased sales, reduced cost of sales associated with the sale of RENT (planned), and reduced advertising expenses will contribute to a V-shaped recovery in operating income



Sale of RACCOON RENT

Select and concentrate business areas and concentrate management resources into growing businesses

Improve sales growth rate, operating margin, and capital efficiency

Concentrate development resources into the EC and Financial businesses

Schedule (planned)

June 13, 2024

Resolve to enter into a memorandum of understanding to transfer shares to Entrust Inc.

September 2024 to October 2024

Complete share transfer (planned)

September 2024 to October 2024 (Q2)

Exclude from the consolidated subsidiaries (planned)

Impact on transfer price and business performance

The transfer price have not been determined at this time and will be determined through discussions

The transfer price and the effective date of the share transfer have not been determined, but estimated amounts are reflected in results forecasts

Actively offer shareholder returns while securing funds for investment in future growth

Shareholder Returns Policy

Dividends

Dividend payout ratio

45~50%

Acquisition of treasury stock

**Flexible execution
depending on share price**

Shareholder Returns Policy for FY 4/2025

Dividends

Dividends per share (planned)

20 yen

Dividend payout ratio (planned)

61.2%

*As a policy, loss on liquidation of business related to the withdrawal from the rent guarantee business will not be affected in the calculation of the dividend forecast

Acquisition of treasury stock

Reduced legal capital surplus and legal retained earnings to increase distributable profits by 1,258 million yen

Establish a system that can flexibly execute acquisitions

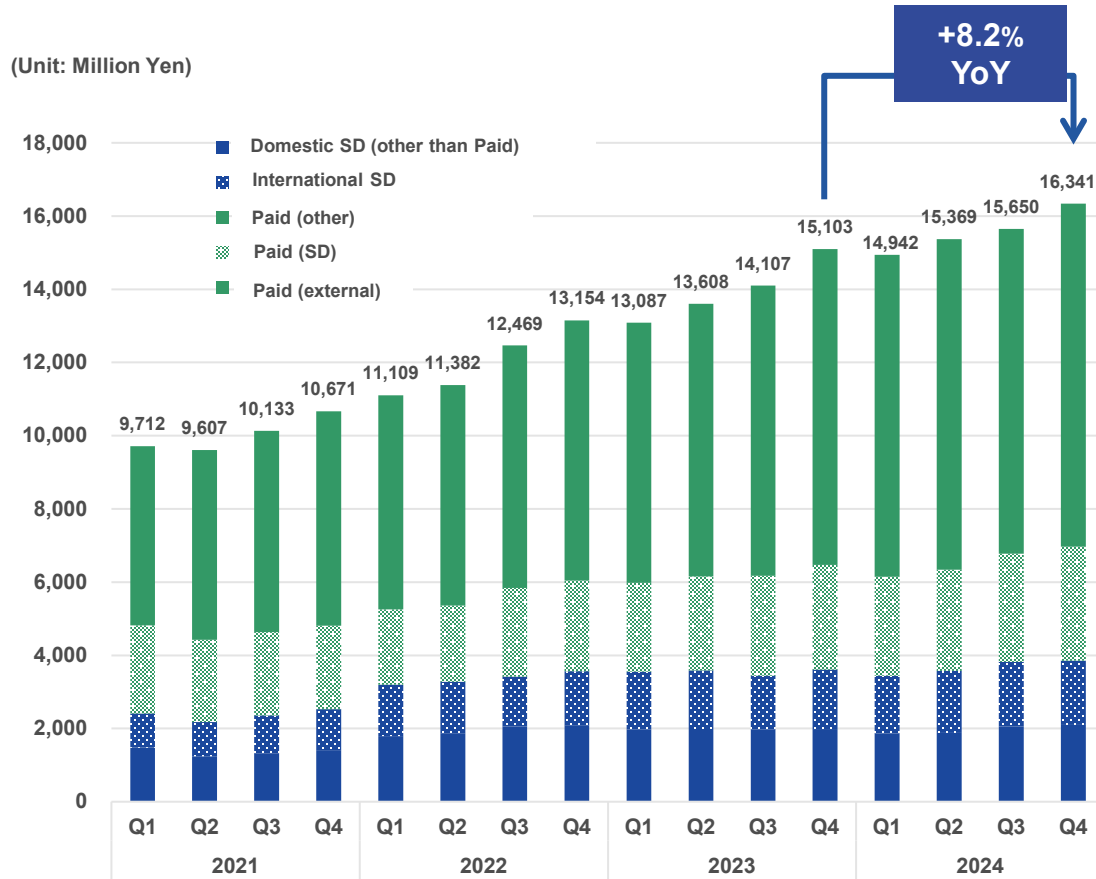
*Please refer to the “Notice Concerning Reductions in Amounts of Legal Capital Surplus and Legal Retained Earnings” announced on June 13, 2024

Consolidated Results of FY 4/2024

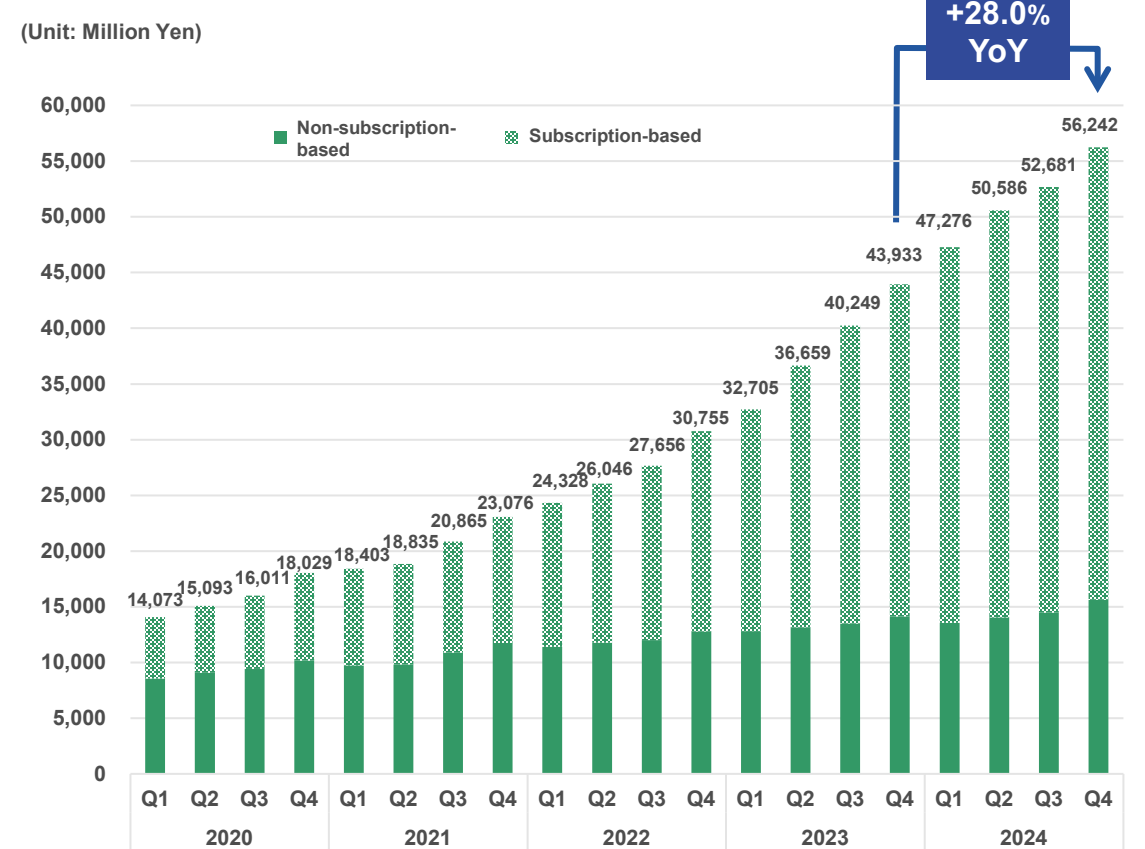
For FY 4/2024 Q4, Group GMV was 16,341 million yen (+8.2% YoY)

URIHO guarantee balance was 56,242 million yen (+28.0% YoY), and subscription services were +36.3% YoY, showing strong growth

Change of Group GMV



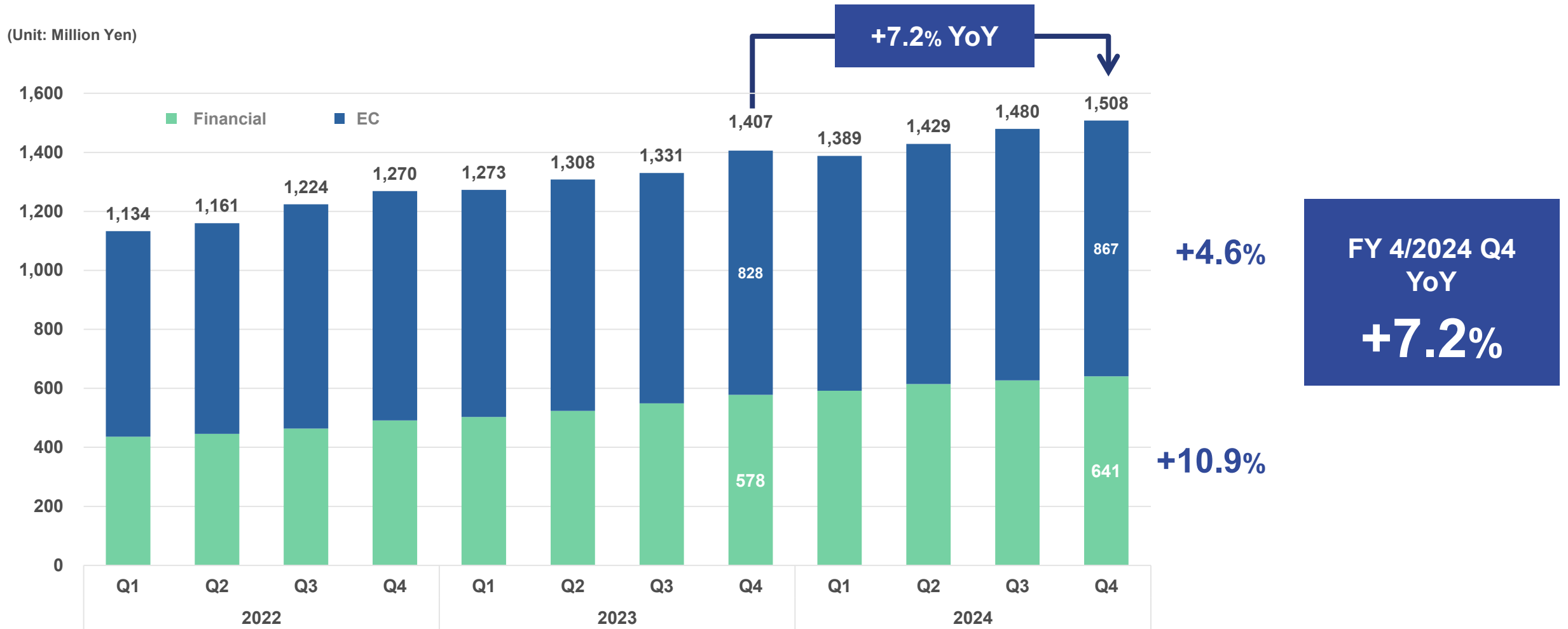
Change of URIHO Guarantee Balance



Consolidated net sales in FY 4/2024 Q4 were 1,508 million yen (+7.2% YoY)

Net sales in the Financial business were +10.9% YoY, achieving double-digit growth

(Unit: Million Yen)



Consolidated Results | Summary (Cumulative)

Consolidated net sales (cumulative) were +9.2% YoY; operating income was -52.5% YoY as advertising and sales promotion expenses increased significantly (+84.3% YoY), and shipping fees in the EC business increased affected by the implementation of reduced international shipping fees

(Unit: Million Yen)	FY 4/2023 (Cumulative)		FY 4/2024 (Cumulative)		
	Previous period	Current period	YoY	Rate of progress	Revised forecasts
Net sales	5,320	5,808	+9.2%	99.3%	5,850
EC business	3,165	3,331	+5.3%	-	-
Financial business	2,155	2,476	+14.9%	-	-
Gross profit	4,284	4,613	+7.7%	-	-
EC business	2,495	2,615	+4.8%	-	-
Financial business	1,776	1,983	+11.6%	-	-
Consolidated adjustment	12	14	-	-	-
Operating income	1,193	566	-52.5%	103.1%	550
EC business	1,277	887	-30.6%	-	-
Financial business	525	371	-29.4%	-	-
Consolidated adjustment	-610	-691	+13.3%	-	-
Operating margin	22.4%	9.8%	-12.7pts	-	-
Ordinary income	1,225	535	-56.3%	97.4%	550
Net income	668	325	-51.3%	98.8%	330
Margin	12.6%	5.6%	-7.0pts	-	-

Operating income excluding advertising and sales promotion expenses was flat due to an increase in the rate of cost of sales in the Financial business, measures related to international shipping fees in the EC business, and increased costs such as expenses for HVAC replacement construction at the headquarters building Irregularly recorded in Q2 (42 million yen)

Operating income excluding expenses for HVAC replacement construction was +2.4% YoY

(Unit: Million Yen)	FY 4/2023	FY 4/2024			
	Previous period	Current period	YoY	Rate of progress	Revised forecasts
Net sales	5,320	5,808	+9.2%	99.3%	5,850
EC business	3,165	3,331	+5.3%	-	-
Financial business	2,155	2,476	+14.9%	-	-
Advertising and sales promotion expenses	748	1,379	+84.3%	-	-
EC business	566	976	+72.4%	-	-
Financial business	181	401	+121.6%	-	-
Operating income (Excluding advertising and sales promotion expenses)	1,941	1,946	+0.2%	99.3%	1,960
EC business	1,844	1,863	+1.1%	-	-
Financial business	706	772	+9.3%	-	-
Operating margin	36.5%	33.5%	-3.0pts	-	-

Expenses associated with key initiatives (FY 4/2024 cumulative)

Airing of television commercials, etc. (Strategic advertising expenses)

195 million yen -> Finished in FY 4/2024

(EC business: 96 million yen; Financial business: 99 million yen)

Costs for welcome back campaign in EC business

108 million yen -> Finished in FY 4/2024

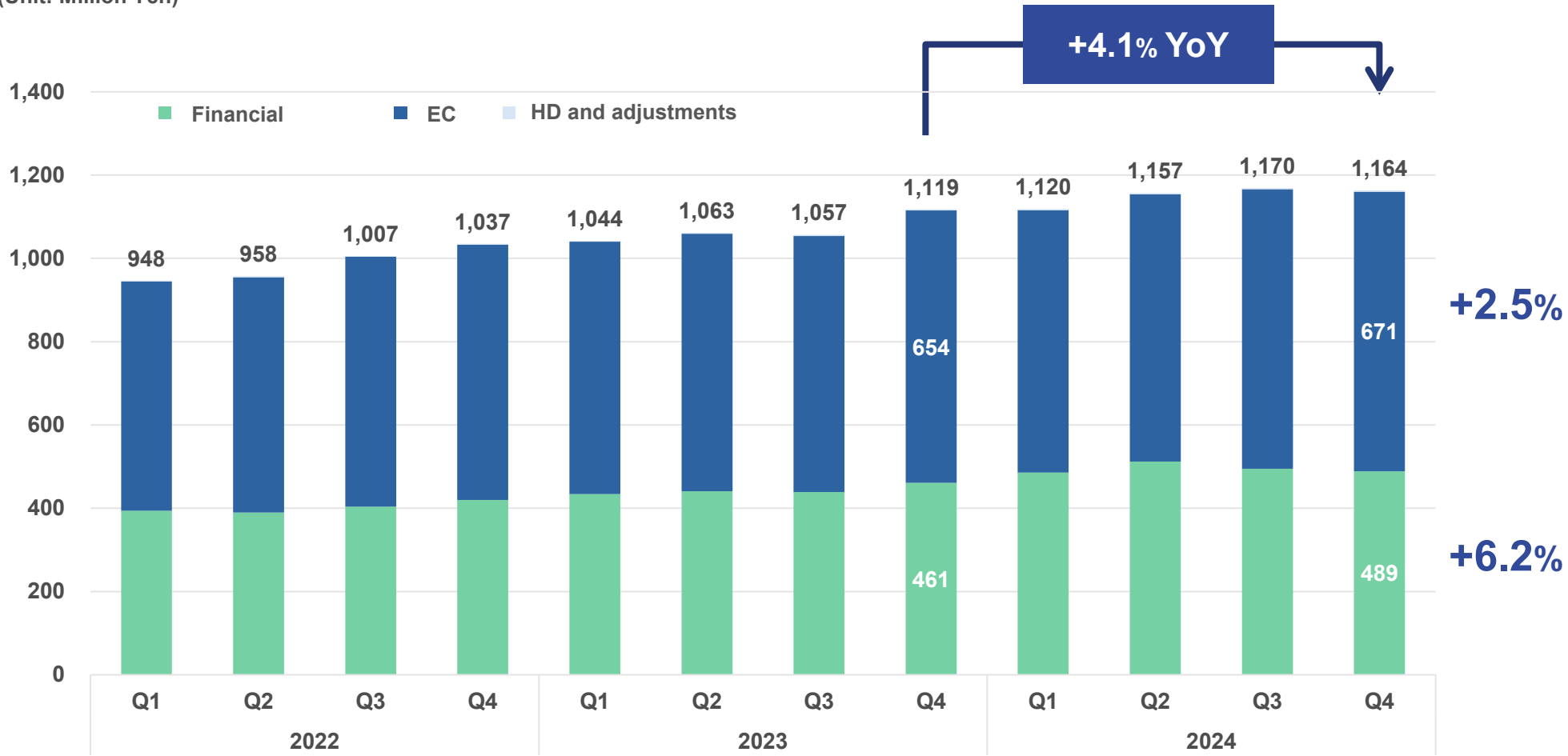
Additional listing ads (YoY)

+217 million yen -> To continue in FY 4/2024 onward

(EC business: +133 million yen; Financial business: +84 million yen)

Gross profit in FY 4/2024 Q4 was 1,164 million yen (+4.1% YoY)

(Unit: Million Yen)



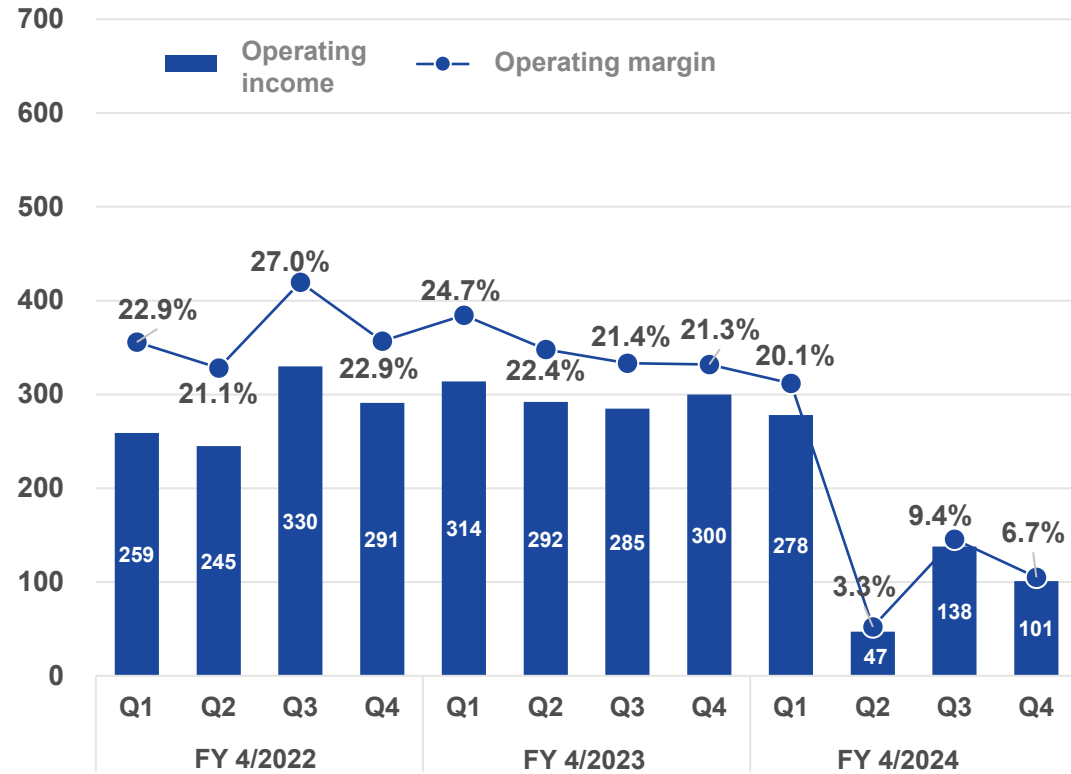
FY 4/2024 Q4
YoY
+4.1%

Operating income in Q4 was 101 million yen (-66.1% YoY) due to active promotional investment and increased costs due to reduced international shipping fees in the EC business

Operating income excluding advertising and sales promotion expenses was 485 million yen (-5.1% YoY)

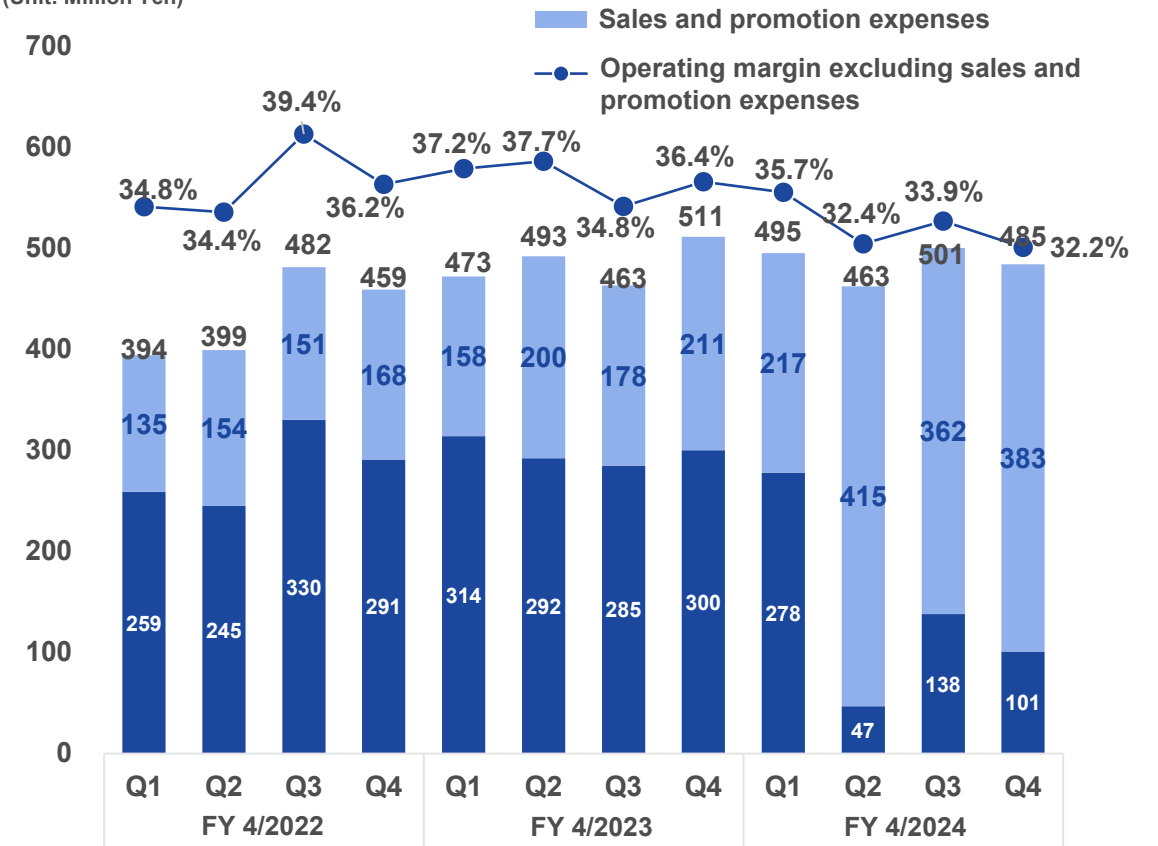
Operating Income

(Unit: Million Yen)



Operating Income (Excluding Advertising and Sales Promotion Expenses)

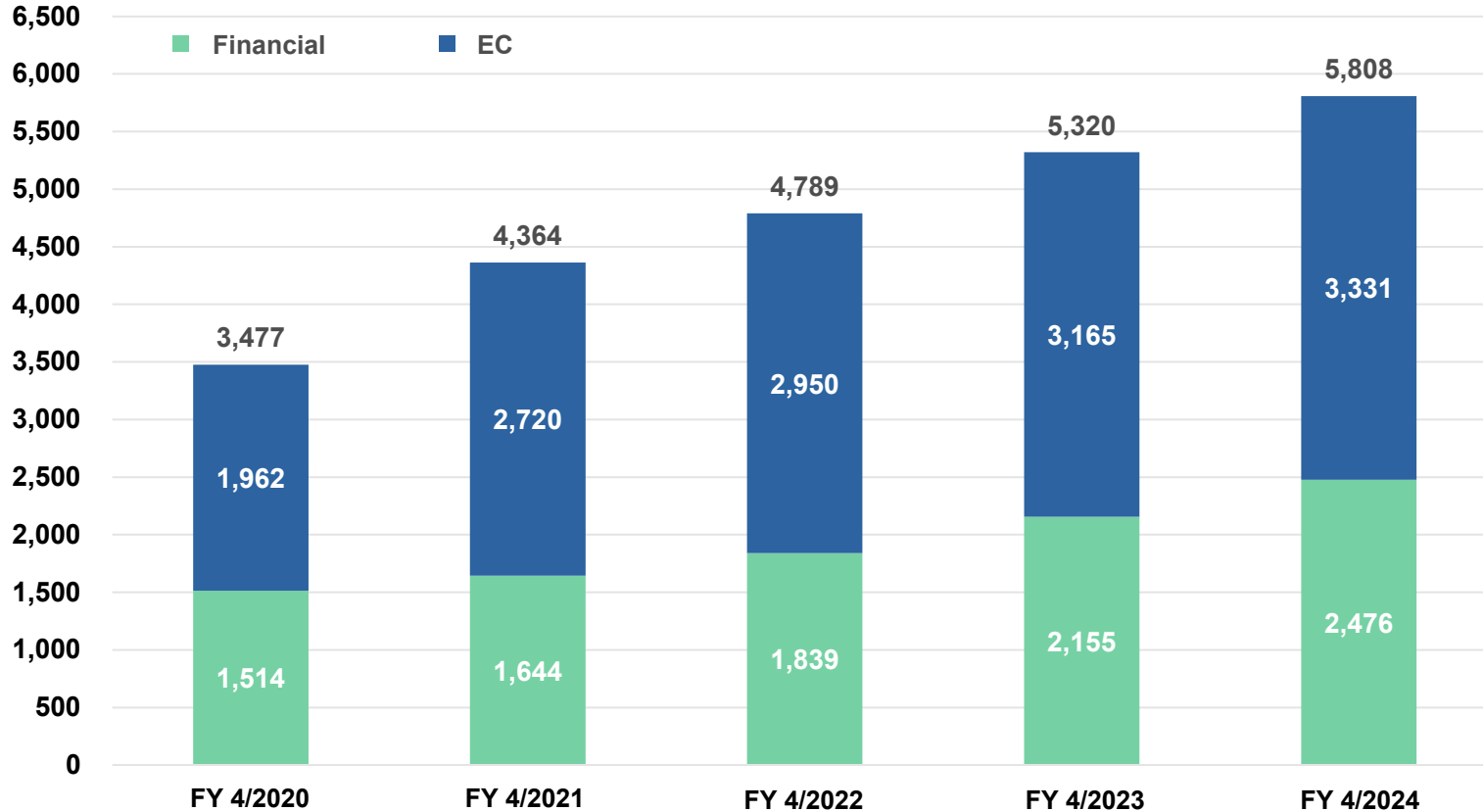
(Unit: Million Yen)



Consolidated Results | Cumulative: Trends in Sales

Both the EC and Financial businesses continued to increase net sales, continuing to post historic highs, and consolidated net sales were 5,808 million yen (+9.2% YoY)

(Unit: Million Yen)



FY2023/4 YoY +11.1%	FY 4/2024 YoY +9.2%
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FY 4/2023
EC YoY
+7.3%

FY 4/2024
EC YoY
+5.3%

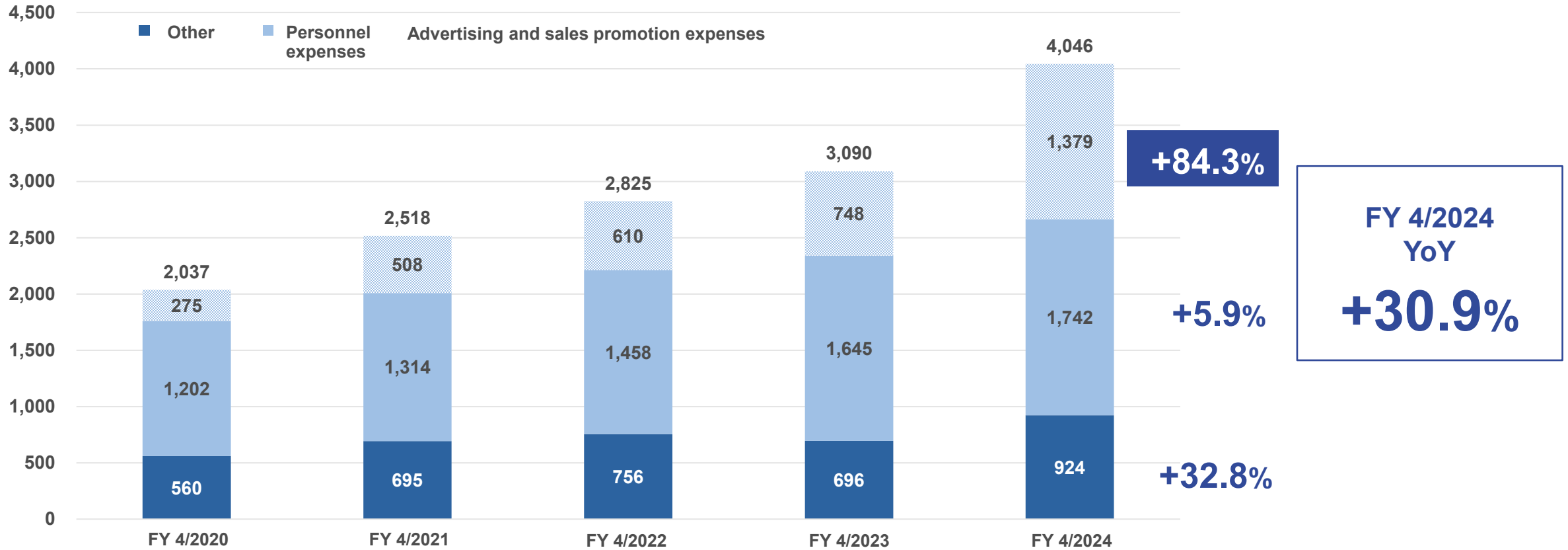
FY 4/2023
Financial YoY
+17.2%

FY 4/2024
Financial YoY
+14.9%

Implementing active promotional investment caused advertising and sales promotion expenses to be +84.3% YoY

Other expenses were +32.8% YoY due to recording of HVAC replacement construction at the headquarters building (42 million yen in Q2) and an increase in shipping fees stemming from the implementation of reduced international shipping fees

(Unit: Million Yen)

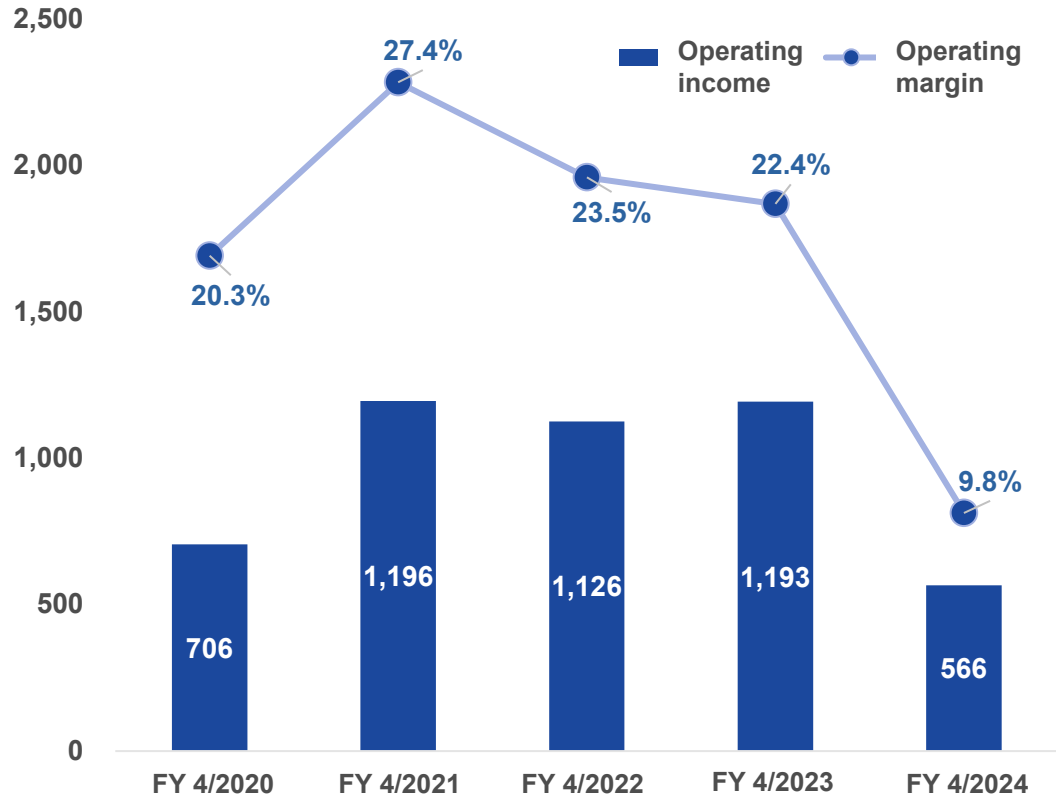


Operating income decreased to 566 million yen (-52.5% YoY) due to increased advertising and sales promotion expenses related to measures, recording of HVAC replacement construction expenses for the headquarters building and increased costs due to reduced international shipping fees in the EC business, causing operating margin to decline to 9.8%

Operating income excluding advertising and sales promotion expenses increased, maintaining a high operating margin of 33.5%

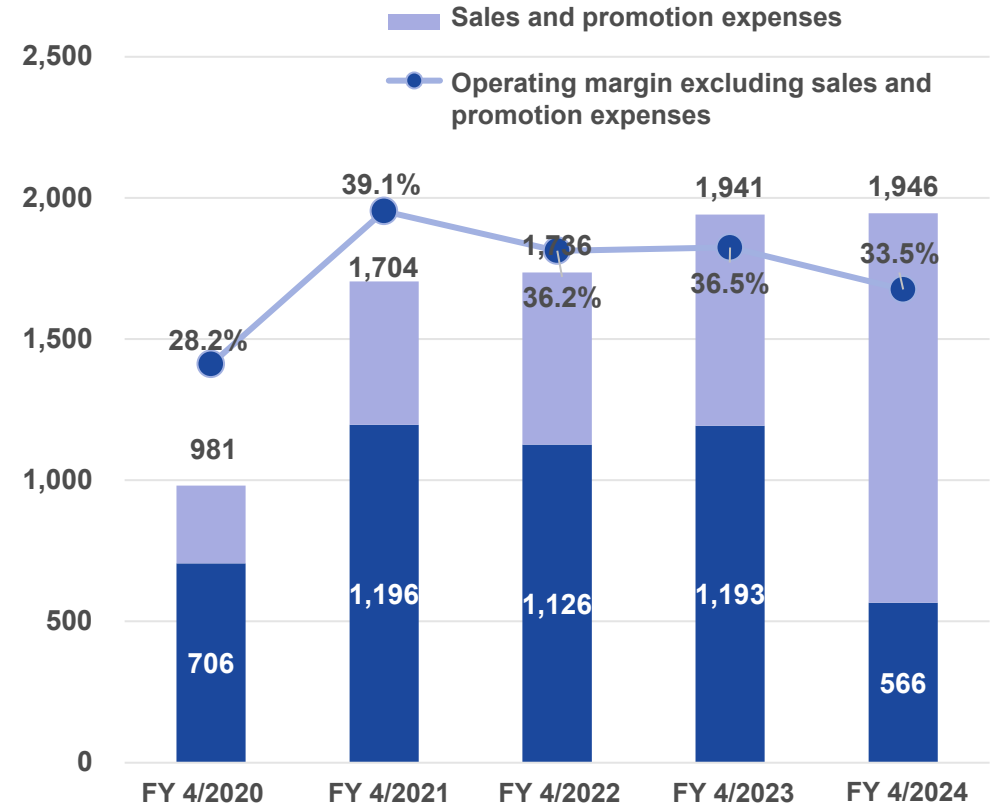
Operating Income

(Unit: Million Yen)



Operating Income
(Excluding Advertising and Sales Promotion Expenses)

(Unit: Million Yen)



Summary by Segment

EC Business

GMV growth was driven by continued strong growth in the number of domestic buying customers

Domestic average sale per customer in Q4 was +5.7% QoQ, boosting GMV growth due to an increase in the number of buying customers

Expectations for higher GMV growth rate rose as business sentiment among small and micro companies recovered

(Unit: Million Yen)

Business segment	Key KPIs	Measures	Goals	FY 4/2024 Results	FY 4/2024 Revised targets	Targets for FY 4/2025 Mid-term Management Plan ¹
Domestic	GMV	<ul style="list-style-type: none"> Increased promotions for the purpose of increasing customers Introduced a new membership plan (from September 2023) Implemented welcome back campaign (from September 2023 to December 2023) 	<ul style="list-style-type: none"> Increase registered users <ul style="list-style-type: none"> Increase first-time purchasers Limit terminations Increase continuation rate Create loyal customers 	18,386 (+5.1% YoY)	18,251 (+4.3% YoY)	26,500 (CAGR +19%)
International	GMV	<ul style="list-style-type: none"> Fine-tuning promotional measures by region Aggressively developed measures for growth regions 	<ul style="list-style-type: none"> Growth recovery in regions with weak demand Accelerate growth in growth regions 	6,789 (+7.4% YoY)	6,920 (+9.5% YoY)	11,000 (CAGR +25%)
Total	GMV			25,175 (+5.7% YoY)	25,171 (+5.7% YoY)	37,500 (CAGR +20%)

1. CAGR is average annual growth rate from FY 4/2022 results to FY 4/2025 Mid-term Management Plan targets

The number of domestic buying customers decreased by 1.8% QoQ as the end of the welcome back campaign (end of February) caused a decline in the number of some campaign-eligible buying customers. However, since the launch of a new membership plan (introduction of a free plan), the ability to attract customers has improved, and the number of new member registrations and new buying customers continued to increase significantly. The pace of growth is expected to accelerate

Outline of Measures		FY 4/2024 Q4 Results			
Increased number of buying customers	<p>Aggressive promotions for the purpose of increasing customers</p> <p>Introduce a new membership plan (from September 2023) (System that offers the choice of free plan/ paid plan)</p>	Retailers	15,275 stores	(+28.2% YoY)	<p>Number of buying customers continued to increase significantly since Q2 owing to the introduction of a free plan</p> <p>The end of the validity period of points for a welcome back campaign (end of February) caused a decline in the number of campaign-eligible buying customers, but the impact was temporary</p>
		Other than retailers	12,033 stores	(+20.5% YoY)	
		Domestic number of customers	27,308 stores	(+24.7% YoY)	
Improved average sale per customer	<p>Continue efforts of FY 4/2023</p> <ul style="list-style-type: none"> • Promote switch to Paid Payment • Increase return rate of points • Issue coupons 	Retailers	255,884 yen	(-17.7% YoY)	<p>Average sale per customer decreased YoY, but turned positive QoQ</p> <p>Factors for an YoY decrease:</p> <p>(1) Increase in portion of first-time purchasers with low average sale per customer and repeat purchasers with short purchase history</p> <p>(2) Lower average sale per customer among existing repeat purchasers due to the domestic environment</p>
		Other than retailers	84,724 yen	(-3.8% YoY)	
		Domestic average sales	180,464 yen	(-13.8% YoY)	

International GMV in Q4 was +8.1% due to positive effects such as high GMV growth rate of over 50% YoY in the U.S. and South Korea, countries of focus, despite the negative impact of the pushing back of the Chinese New Year

International GMV from Q3 to Q4, which is not affected by the pushing back of the Chinese New Year, increased 13.9% and achieved a double-digit growth

Outline of Measures

FY 4/2024 Q4 Results

- Increased promotional investments
 - Doubled YoY
 - Provided points and coupons
- Advertising investments at the same level as last year (fine-tune after seeing the effects)
 - Aggressive in the U.S.
 - Limited in Hong Kong, etc.
- Decreased shipping costs
 - Except Asia (from July 2023)
 - Taiwan and Hong Kong (from December 2023)
 - January 2023 onward: Adjusted cost increase or decrease by country or area depending on the situation

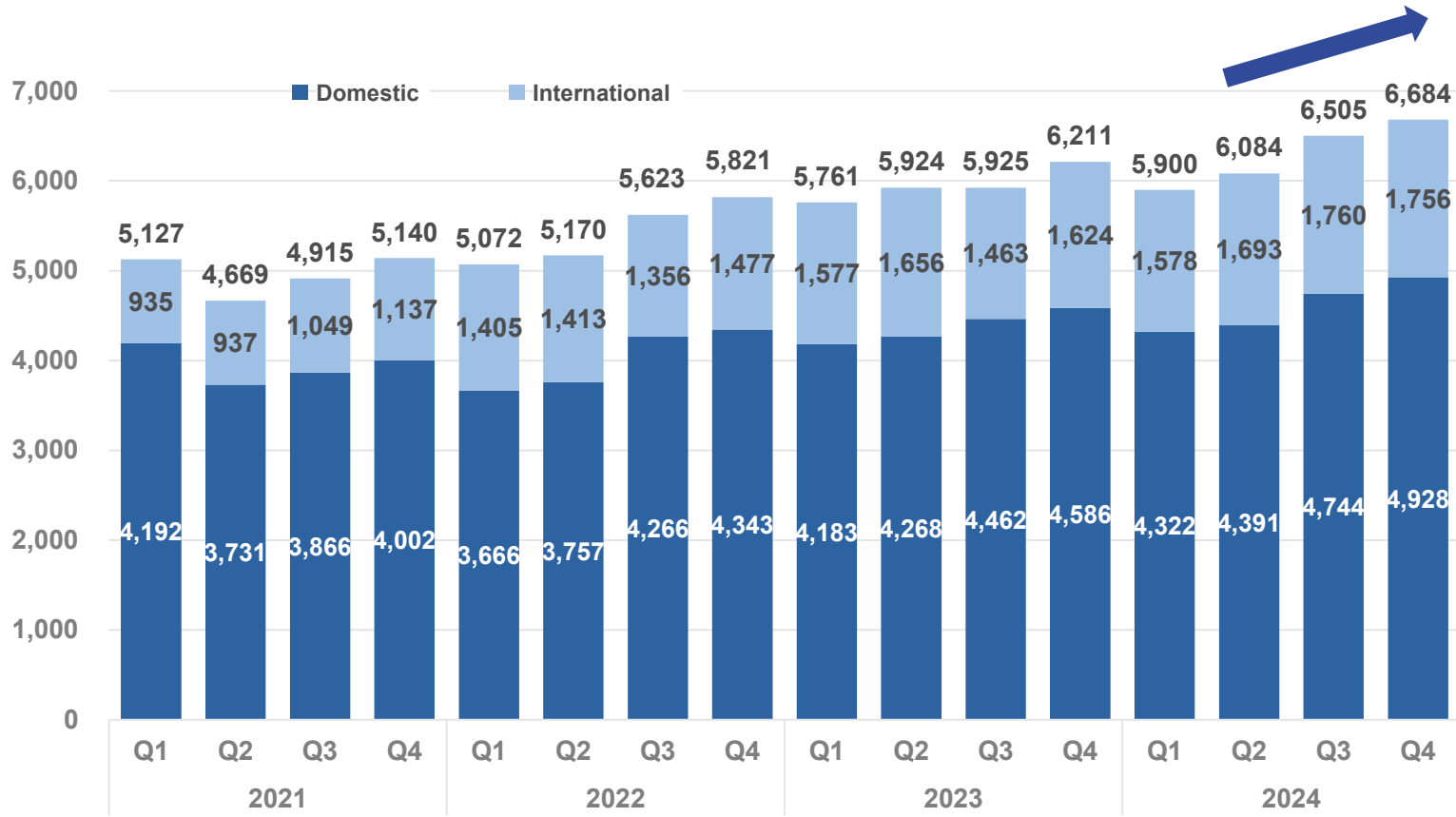
	GMV composition ratio	GMV growth rate (YoY)	GMV growth rate contribution
Taiwan	36.6%	-5.7%	-38.6%
Hong Kong	16.1%	-11.5%	-17.9%
U.S.	9.9%	+54.8%	+5.4%
South Korea	9.1%	+51.1%	+4.7%

Number of buying customers	6,344 stores	(+13.8% YoY)	
Value of transactions per customer	276,864 yen	(-5.0% YoY)	

- GMV growth rate in Taiwan was -5.7% YoY, affected by the pushing back of the Chinese New Year. Hong Kong remains sluggish. GMV for the single month of April was +15.8% in Taiwan and -7.9% in Hong Kong. GMV in Taiwan recovered after the Chinese New Year.
- In the U.S. and South Korea, the number of member registrations maintained a significant pace of increase due to direct inflows from tie-up videos with YouTubers, increased inflows from Google ads, Meta ads, and organic search and raising awareness.

Domestically, GMV growth was boosted by a significant increase in the number of new buying customers
 Since the launch of a new domestic membership plan (introduction of a free plan) in Q2, GMV returned to the growth phase

(Unit: Million Yen)



FY 4/2024 Q4 YoY
+7.6%

FY 4/2024 Q4 QoQ
+2.8%

FY 4/2024 Q4 International YoY
+8.1%

FY 4/2024 Q4 International QoQ
-0.2%

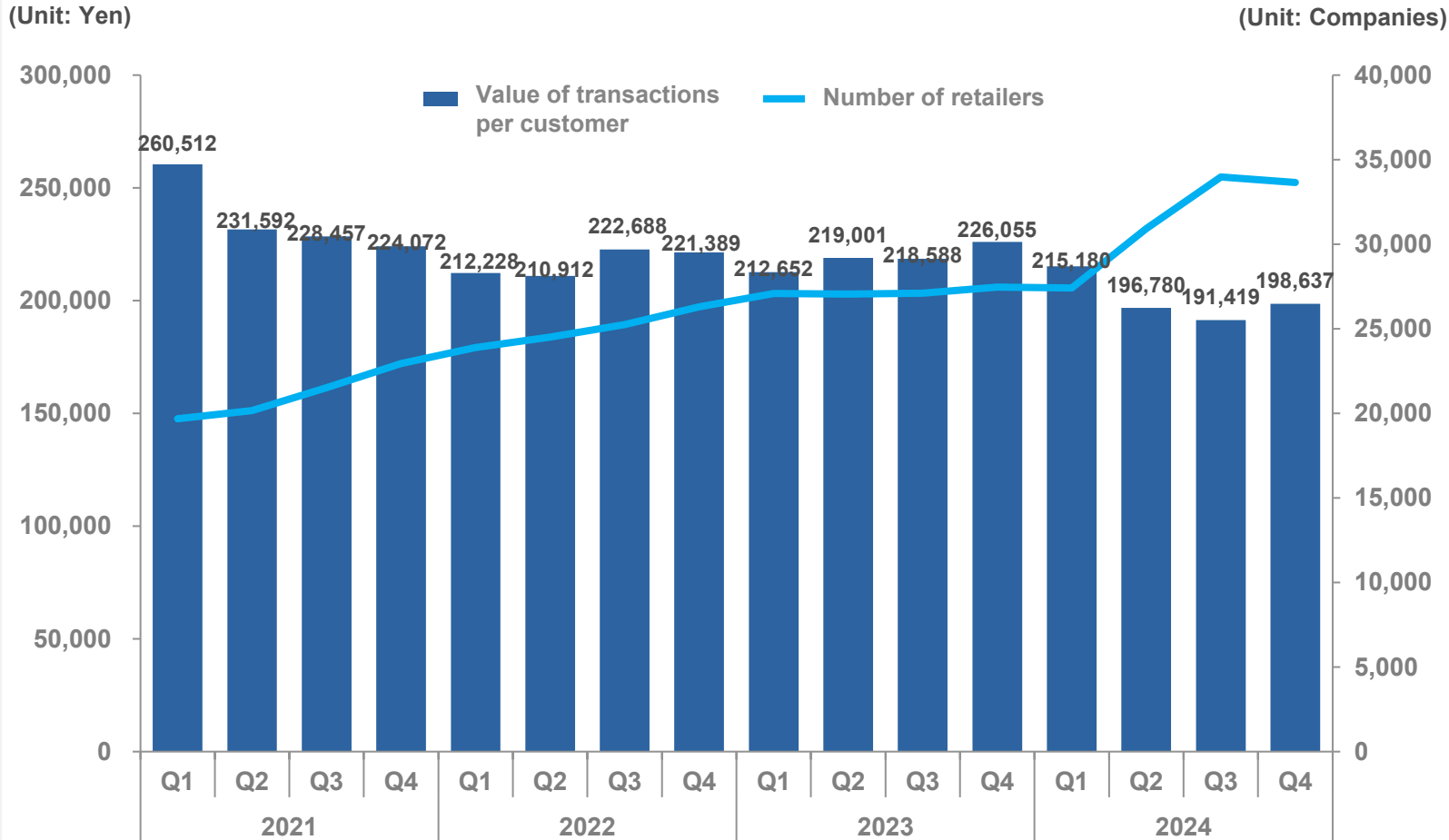
FY 4/2024 Q4 Domestic YoY
+7.4%

FY 4/2024 Q4 Domestic QoQ
+3.9%

EC Business | No. of Buying Customers and Value of Transactions per Customer

Value of transactions per customer increased by 3.8% QoQ, as a recovery of domestic value of transactions per customer drove the overall increase in value of transactions per customer

The end of the validity period of points for a welcome back campaign in Japan caused a decline in the percentage of eligible customers, but the number of buying customers for a free plan maintained a high pace of growth. As a result, the number of buying customers increased by 22.5% YoY



FY 4/2024 Q4
Number of retailers
 YoY
+22.5%

FY 4/2024 Q4
Number of retailers
 QoQ
-1.0%

FY 4/2024 Q4
Value of transactions
 per customer
 YoY
-12.1%

FY 4/2024 Q4
Value of transactions
 per customer
 QoQ
+3.8%

EC Business | Trend in No. of Buying Customers (Repeat Purchasers/First-time Purchasers)

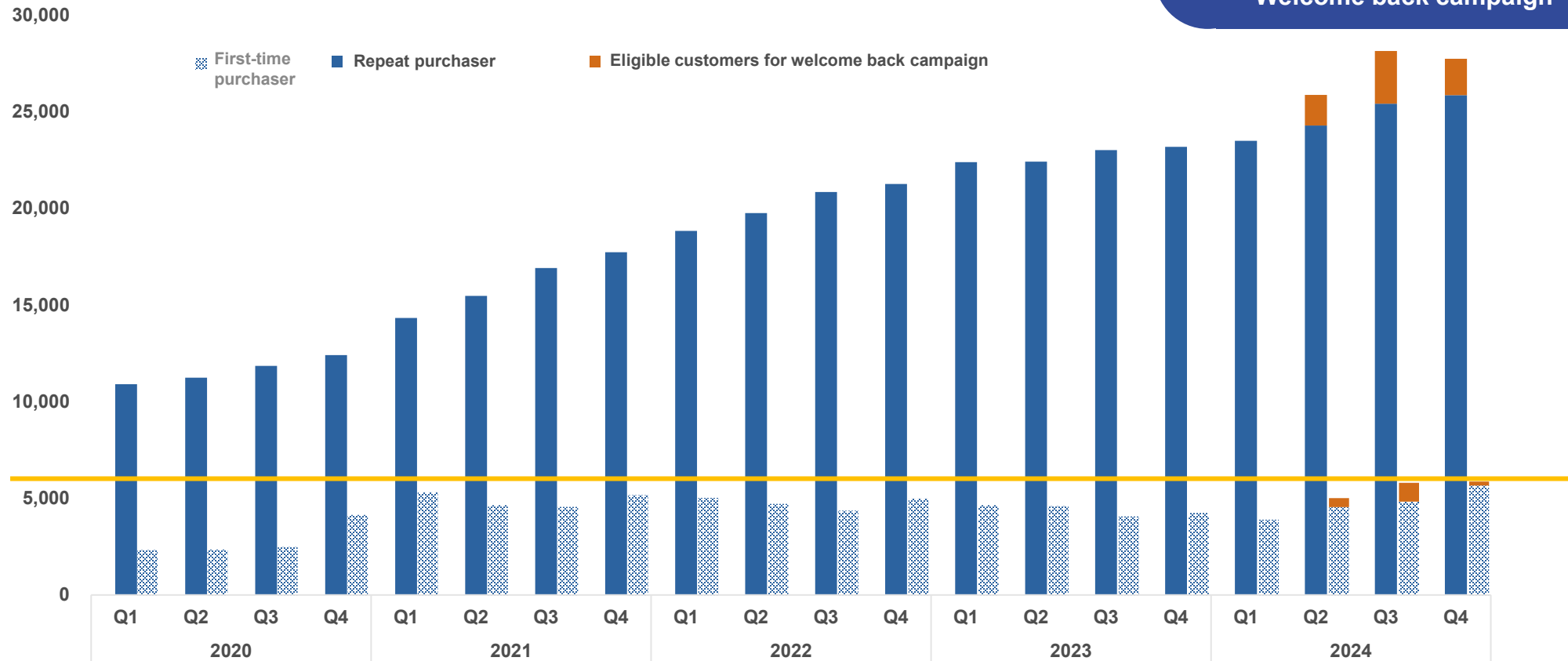
The end of the validity period of points for a welcome back campaign caused a decline in the percentage of eligible customers, but new member registrations for a free plan remained steady; the number of first-time purchasers and repeat purchasers excluding the impact of the welcome back campaign continued to increase

The number of first-time purchasers continues to exceed the peak demand for masks and disinfectant goods, and the pace of growth in the number of repeat buyers is expected to accelerate

(Unit: Persons)

Trends in First-time Purchasers and Repeat Purchasers

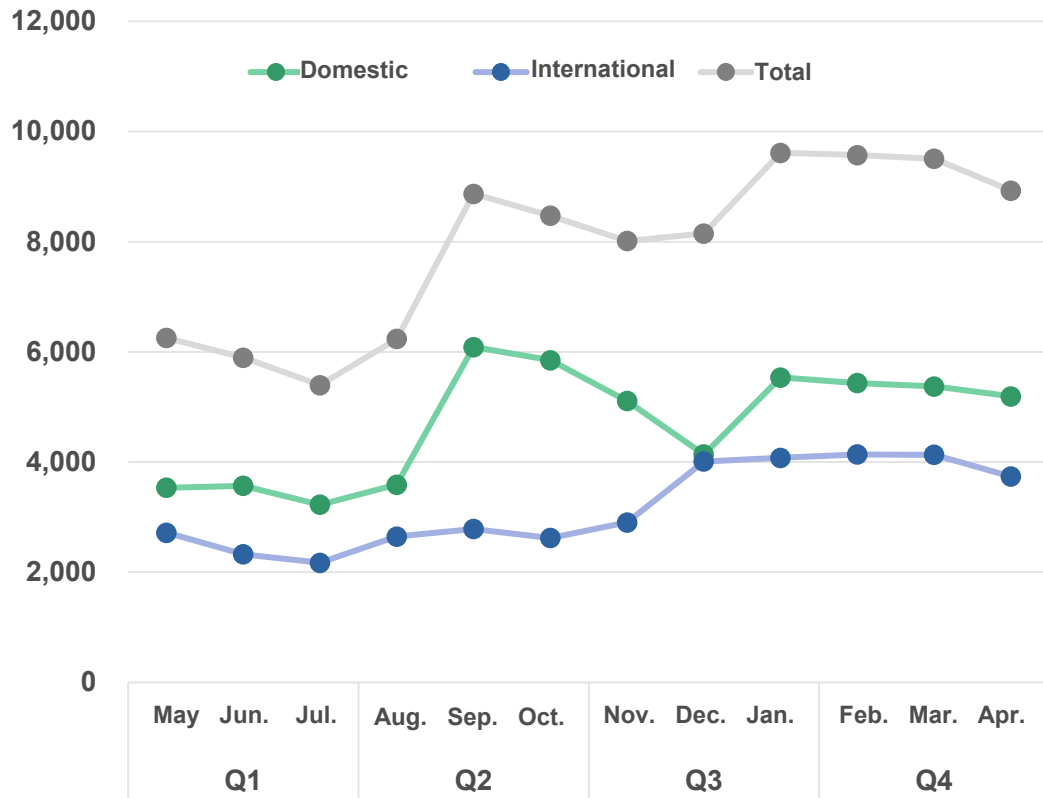
Sep. 2023 – Dec. 2023
Welcome back campaign



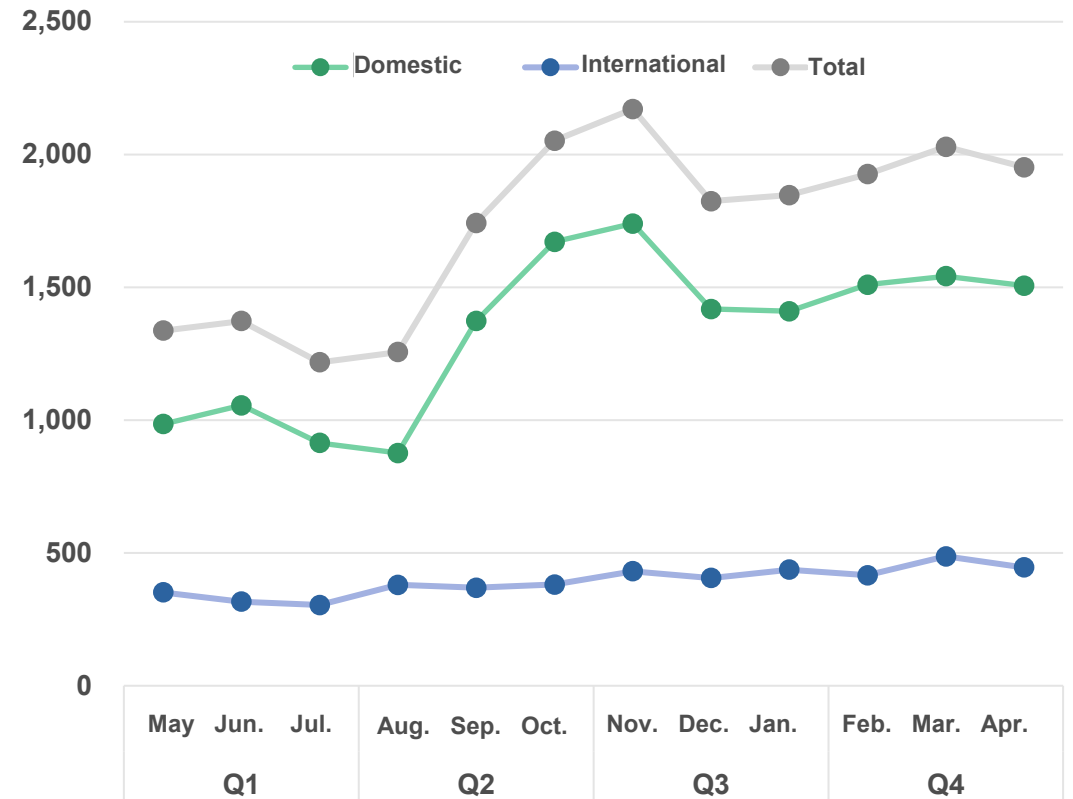
Domestically, both new member registrations and new buying customers maintained increasing pace since the introduction of a plan with zero membership fees

Internationally, new member registrations and new buying customers continued to increase in the U.S. and South Korea, countries of focus, despite a decrease in Asia affected by the pushing back of the Chinese New Year

Trends in New Membership Registrations



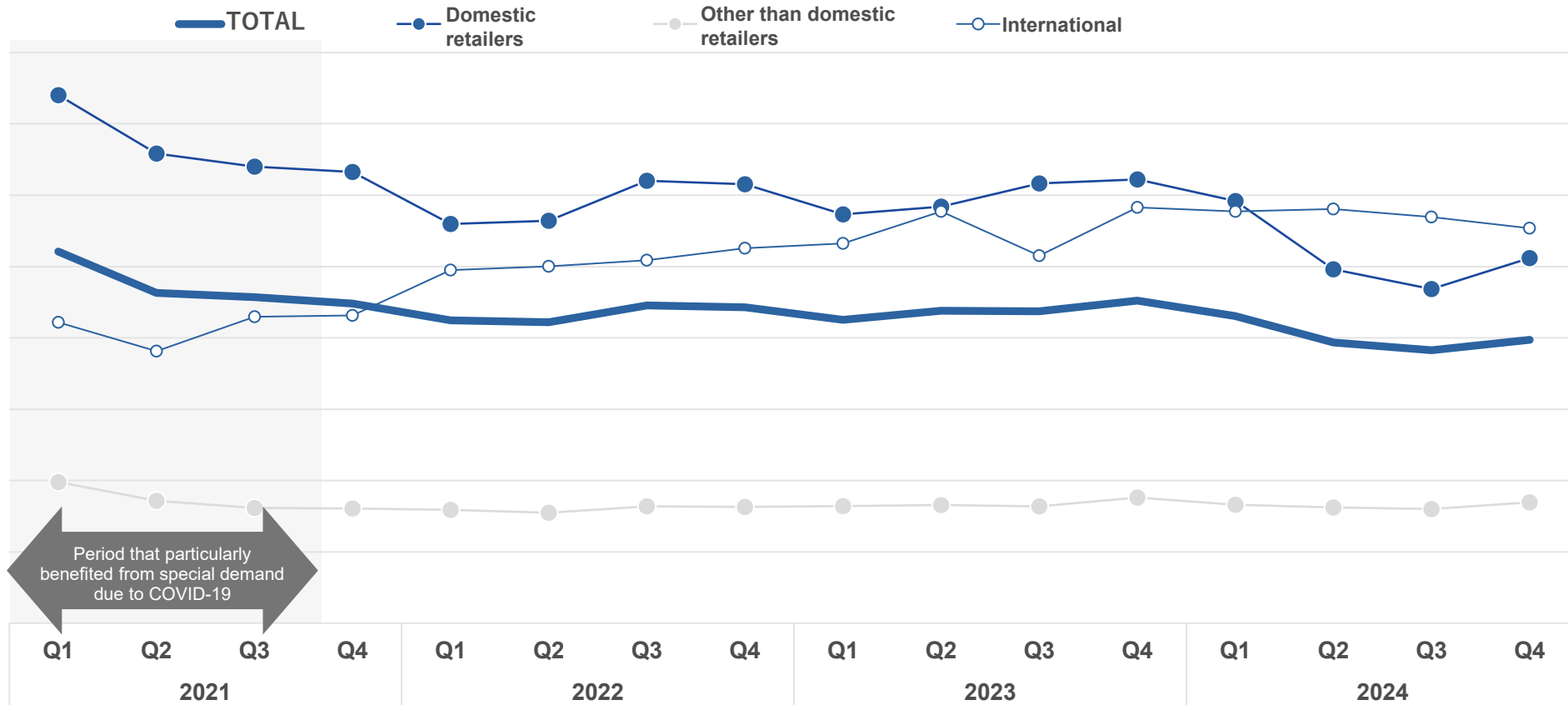
Trends in New Buying Customers



Domestic retailer sales recovered (+9.2% QoQ), as new member registrations for a free plan remained steady and the percentage of customers through welcome back campaign with relatively low average sale per customer declined

As a result, overall value of transactions per customer also increased by 3.8% QoQ

Change of value of transactions per customer

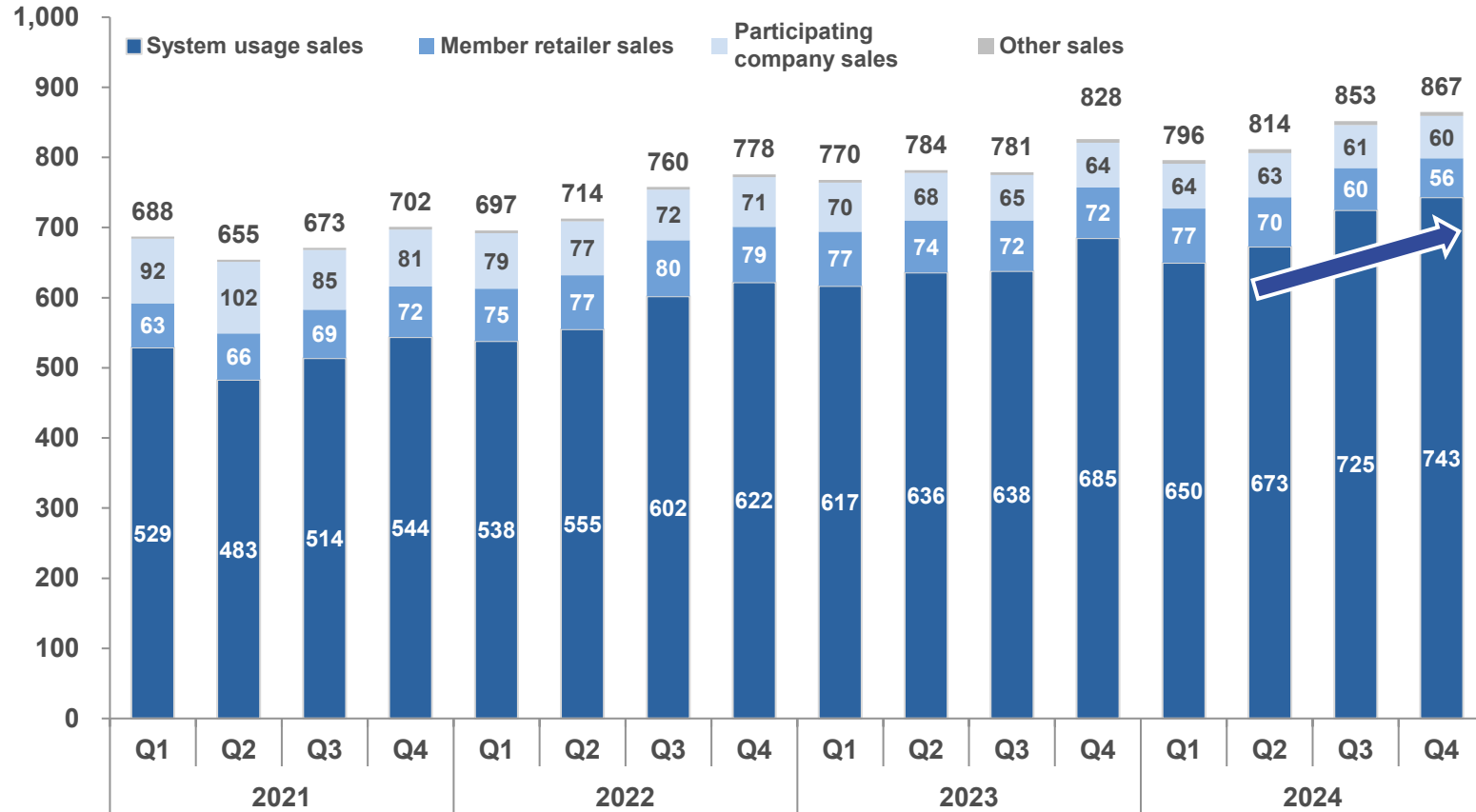


EC Business | Trends in Sales by Quarter

Since the launch of a new domestic membership plan (introduction of a free plan) in Q2, the number of domestic buying customers increased significantly, driving GMV growth

Accompanying this, the pace of increase in system usage sales also rose

(Unit: Million Yen)

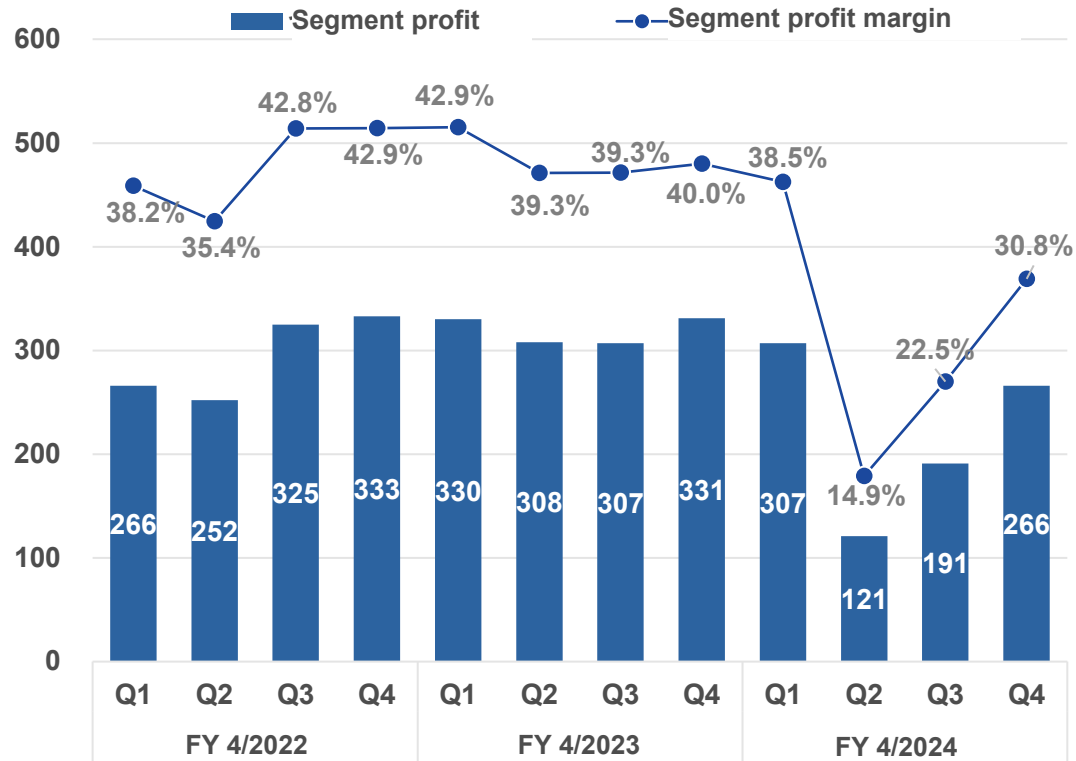


<div style="background-color: #003366; color: white; padding: 10px; border: 1px solid white;"> <p>FY 4/2024 Q4 YoY +4.6%</p> </div>	<div style="background-color: #003366; color: white; padding: 10px; border: 1px solid white;"> <p>FY 4/2024 Q4 QoQ +1.6%</p> </div>
<p>FY 4/2024 Q4 Participating company sales YoY -6.4%</p>	<p>FY 4/2024 Q4 Participating company sales QoQ -0.6%</p>
<p>FY 4/2024 Q4 Member retailer sales YoY -22.3%</p>	<p>FY 4/2024 Q4 Member retailer sales QoQ -6.9%</p>
<p>FY 4/2024 Q4 System usage sales YoY +8.4%</p>	<p>FY 4/2024 Q4 System usage sales QoQ +2.5%</p>

While shipping fees continued to increase affected by the implementation of reduced international shipping fees, advertising and sales promotion expenses decreased by 24.6% QoQ despite continued active promotional investment, as the validity period of points for a welcome back campaign has ended and the television commercials have not been aired, resulting in operating income of 266 million yen (+38.9% QoQ) with operating margin of 30.8% (+8.3 pts QoQ) in Q4

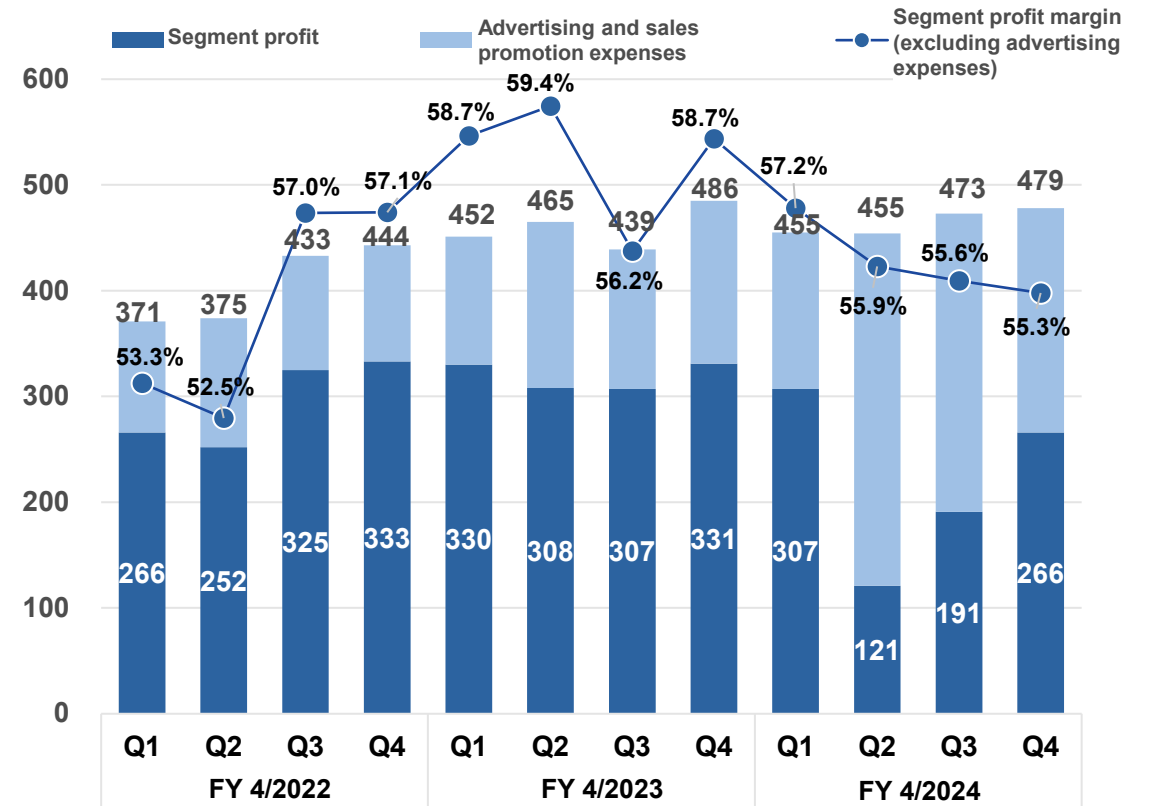
Segment Profit

(Unit: Million Yen)



Segment Profit (excluding advertising and sales promotion expenses)

(Unit: Million Yen)



Summary by Segment

Financial Business

Steady growth continued in both transaction volume of Paid (+15.9% YoY) and URIHO guarantee balance (+28.0% YoY)

(Unit: Million Yen)

Business segment	Key KPIs	Measures	Goals	FY 4/2024 Results	FY 4/2024 Revised targets	Targets for FY 4/2025 Mid-term Management Plan ¹
Paid	Transaction volume	<ul style="list-style-type: none"> Aggressive development through promotional measures Customer referrals through cooperation with VCs 	<ul style="list-style-type: none"> Increase the number of member companies 	36,071 (+15.9% YoY)	35,953 (+15.6% YoY)	42,128 (CAGR +18%)
URIHO	Guarantee balance	<ul style="list-style-type: none"> Aggressive development through promotional measures Increasing proposal schemes Increasing eligible receivables 	<ul style="list-style-type: none"> Increase the number of companies using subscriptions Increase non-subscription-based guarantee balances 	56,242 (+28.0% YoY)	56,740 (+29.2% YoY)	70,000 (CAGR +32%)

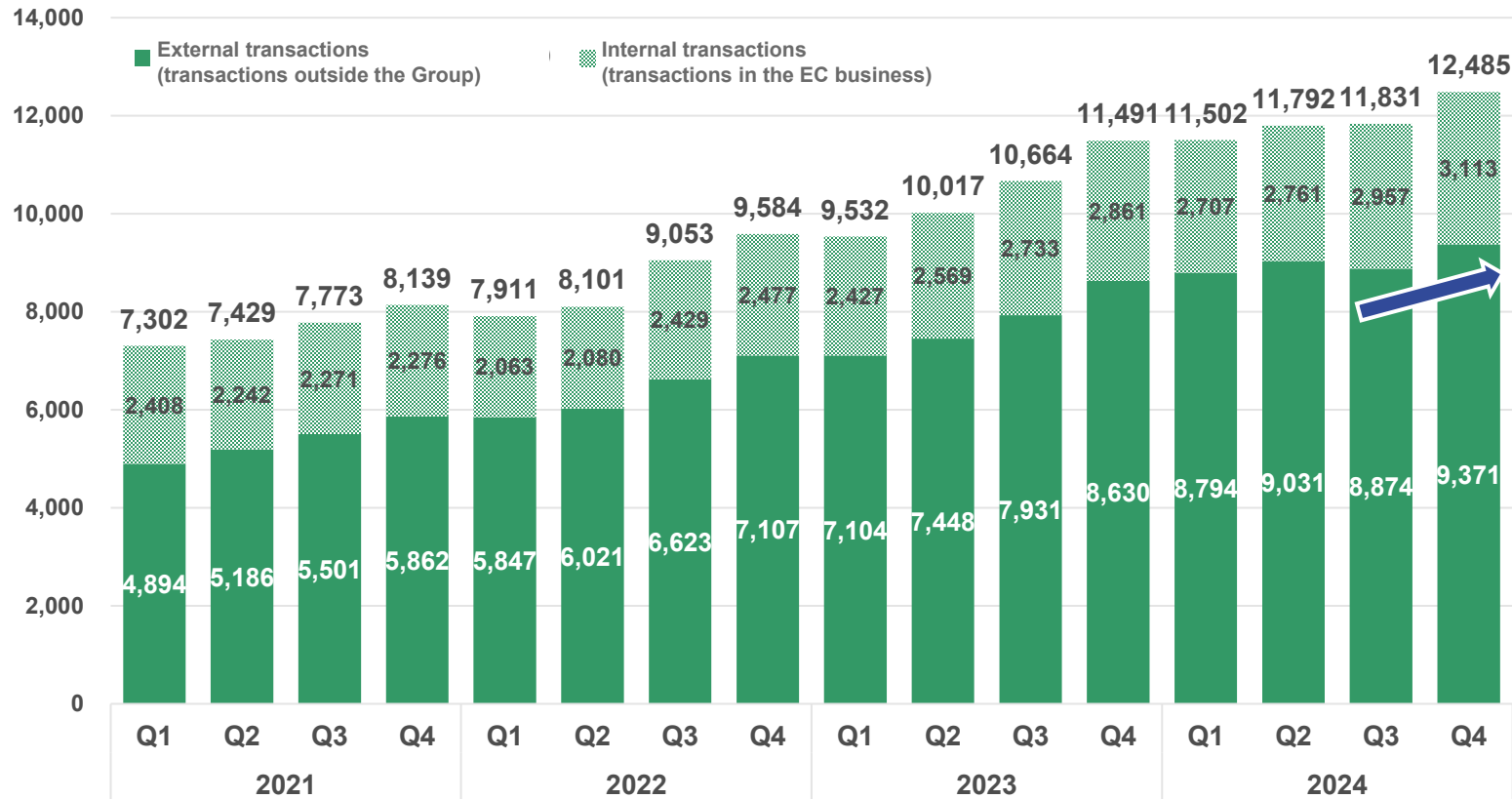
1. CAGR is the average annual growth rate of the results of FY 4/2022 through the targets of the FY 4/2025 Mid-term Management Plan

External transactions were 9,371 million yen (+8.6% YoY, +5.6% QoQ)

The impact of the decline in external transaction value in Q3 due to the withdrawal of some large member companies of Paid was temporary

Transaction value by other member companies continued to increase, and returned to a steady growing trend in Q4, standing at +5.6% QoQ

(Unit: Million Yen)

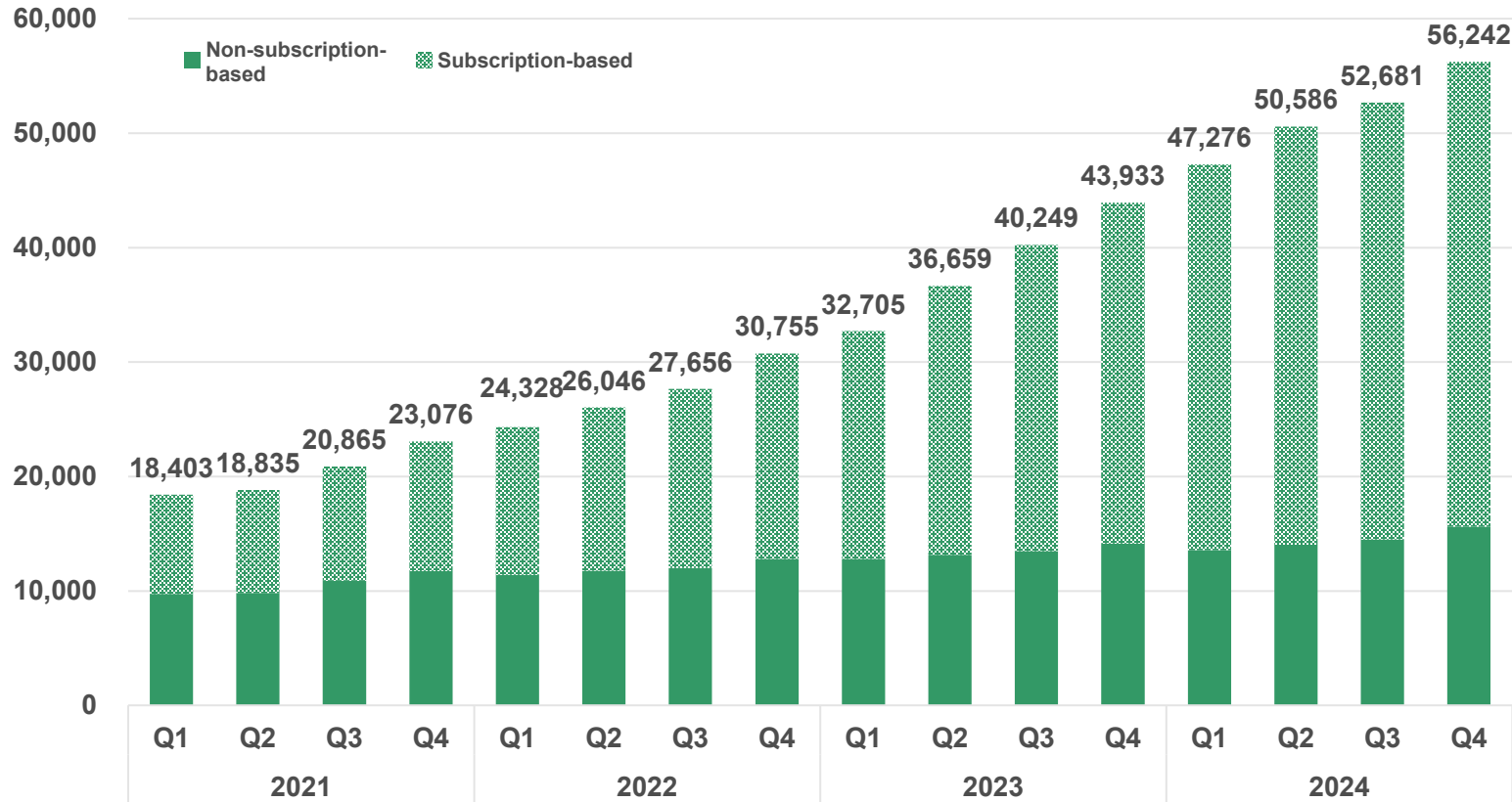


Transactions within the EC business using Paid as a payment method for SUPER DELIVERY domestic GMV

<p>FY 4/2024 Q4 YoY +8.7%</p>	<p>FY 4/2024 Q4 QoQ +5.5%</p>
<p>FY 4/2024 Q4 Internal transactions YoY +8.8%</p>	<p>FY 4/2024 Q4 Internal transactions QoQ +5.3%</p>
<p>FY 4/2024 Q4 External transactions YoY +8.6%</p>	<p>FY 4/2024 Q4 External transactions QoQ +5.6%</p>

Double-digit growth in both subscription-based (+36.3% YoY) and non-subscription-based (+10.5% YoY) guarantee balance resulted in a YOY increase of 28.0% in overall URIHO guarantee balance

(Unit: Million Yen)



FY 4/2024 Q4
YoY
+28.0%

FY 4/2024 Q4
QoQ
+6.8%

FY 4/2024 Q4
Subscription-based
YoY
+36.3%

FY 4/2024 Q4
Subscription-based
QoQ
+6.4%

FY 4/2024 Q4
Non-subscription-based
YoY
+10.5%

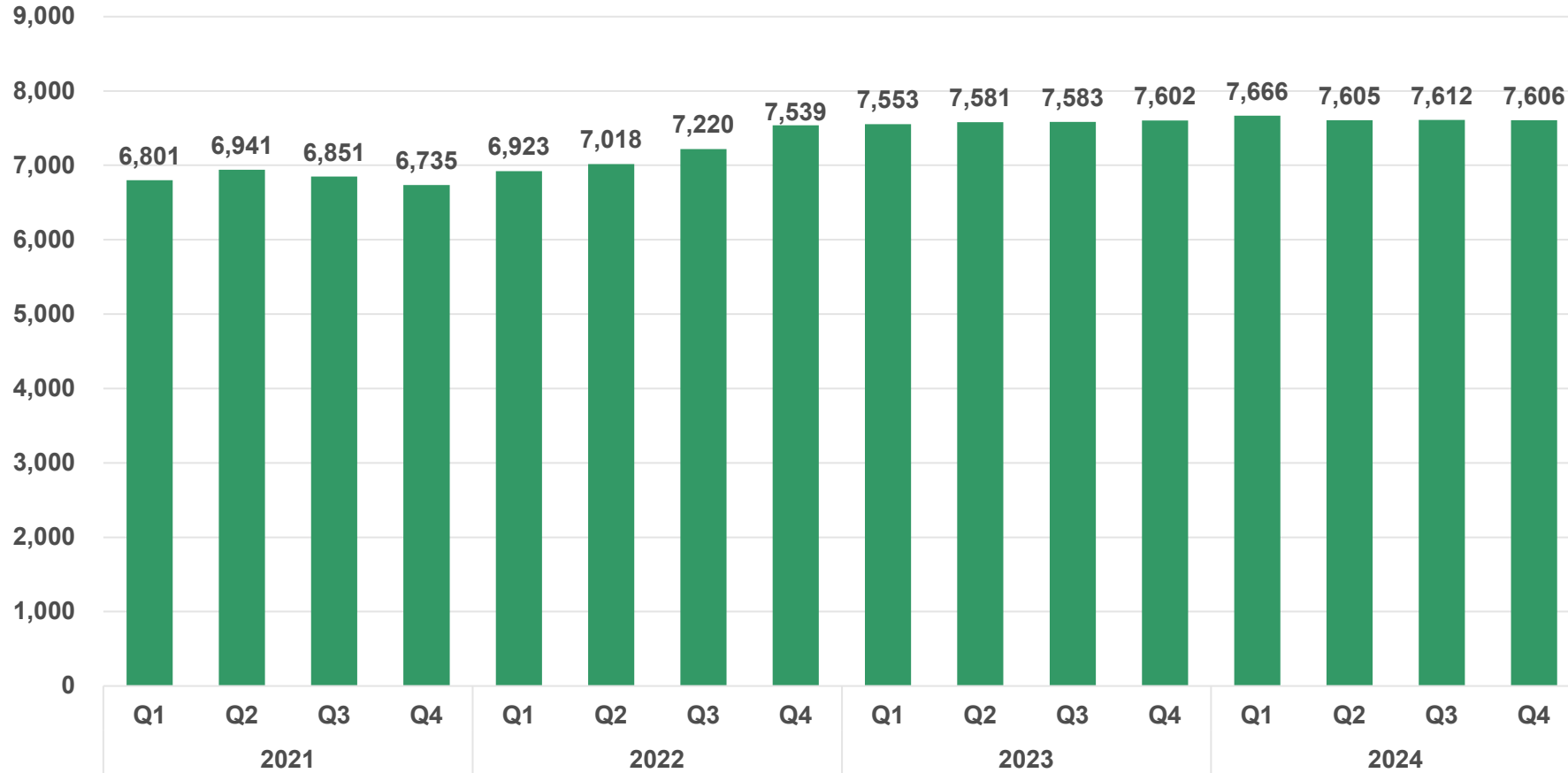
FY 4/2024 Q4
Non-subscription-based
QoQ
+7.8%

The guarantee balance remained steady, standing at 7,606 million yen (+0.1% YoY, -0.1% QoQ)

Rent guarantee business is scheduled to be sold during FY 4/2025*

*Please refer to the “Notice Concerning Conclusion of Memorandum of Understanding on Transfer of Consolidated Subsidiary (Share Transfer)” announced on June 13, 2024

(Unit: Million Yen)



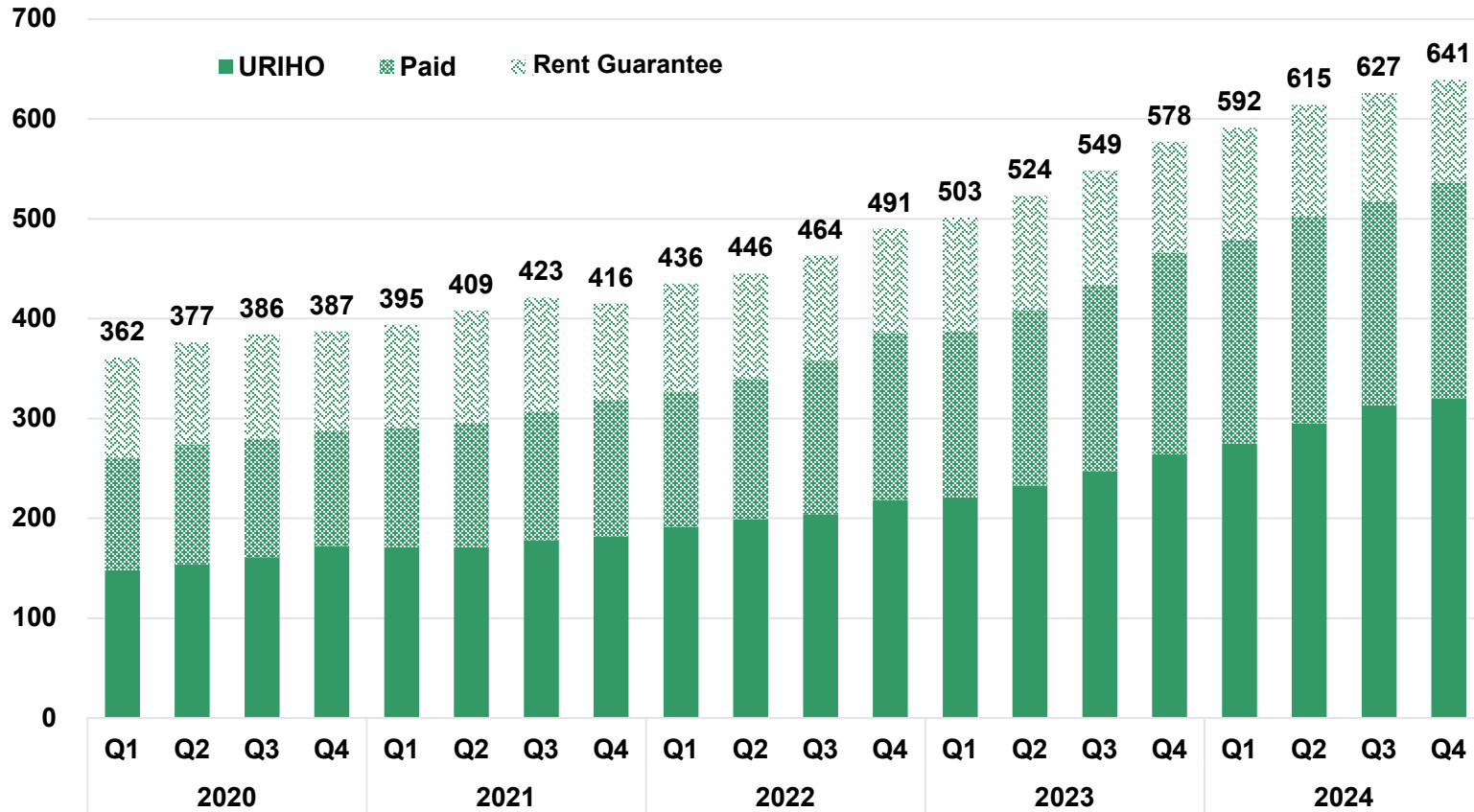
FY 4/2024 Q4
YoY
+0.1%

FY 4/2024 Q4
QoQ
-0.1%

*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.

Net sales in the Financial business continued to increase steadily, standing at 641 million yen (+10.9% YoY, +2.2% QoQ)
 URIHO (+21.1% YoY) and Paid (+7.0% YoY) continued to grow steadily

(Unit: Million Yen)



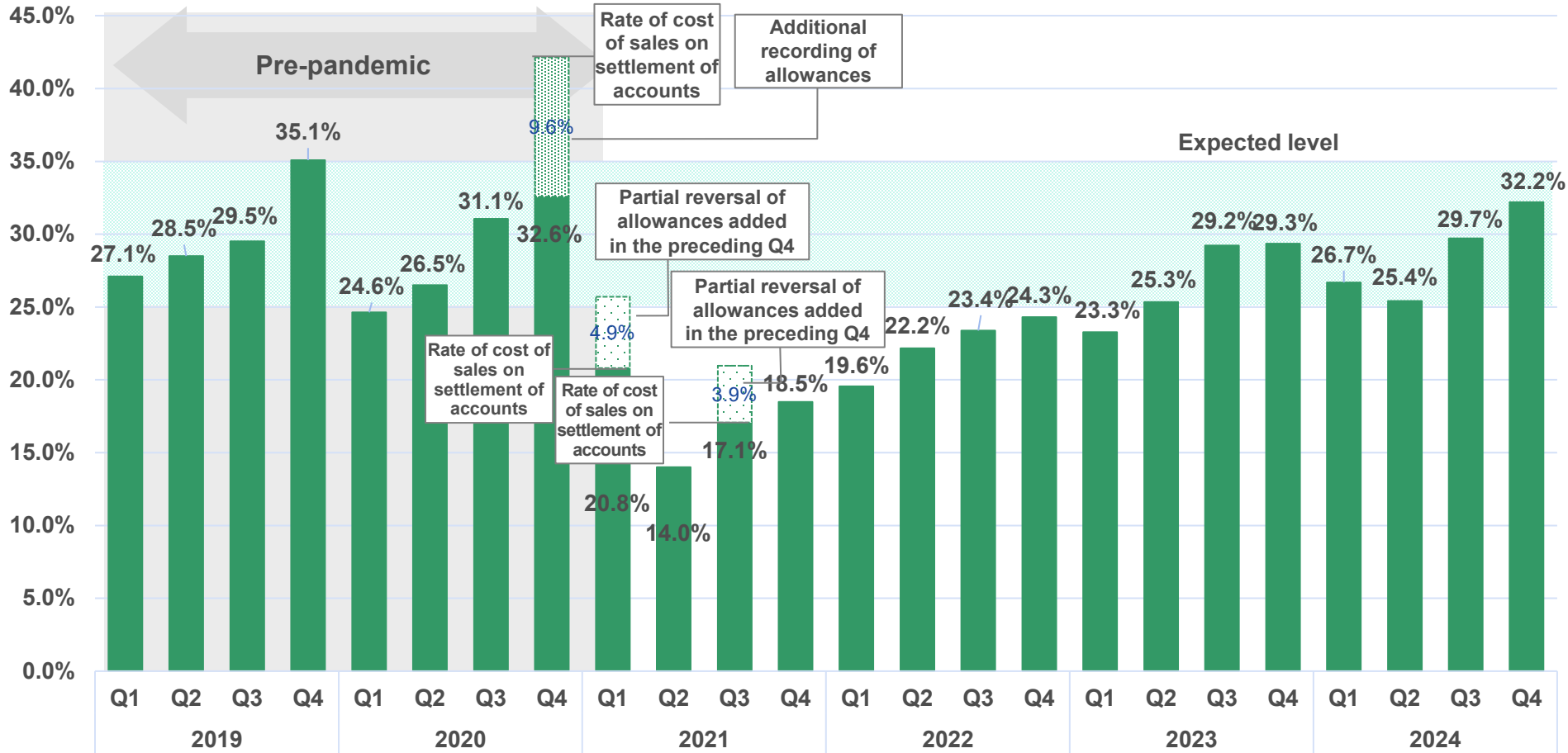
Inter-segment net sales are excluded.

FY 4/2024 Q4 YoY +10.9%	FY 4/2024 Q4 QoQ +2.2%
FY 4/2024 Q4 Rent Guarantee YoY -6.6%	FY 4/2024 Q4 Rent Guarantee QoQ -5.3%
FY 4/2024 Q4 Paid YoY +7.0%	FY 4/2024 Q4 Paid QoQ +5.8%
FY 4/2024 Q4 URIHO YoY +21.1%	FY 4/2024 Q4 URIHO QoQ +2.5%

Rate of cost of sales increased in Q4 due to adjustment to a conservative allowance ratio at the end of the period

However, maintained the rate of cost at the level expected in advance owing to the effect of appropriate control of credit screening

(Unit: Million Yen)



FY 4/2024 Q4
YoY
+2.8pts

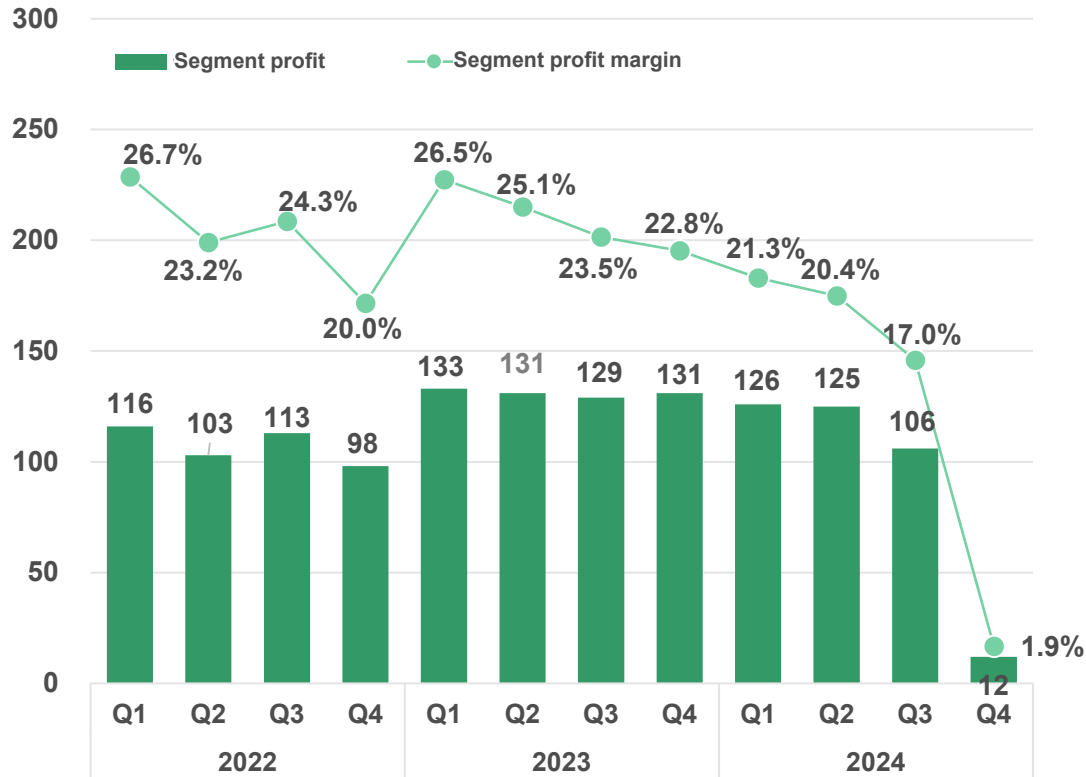
FY 4/2024 Q4
QoQ
+2.5pts

Segment profit in Q4 was 12 million yen (-90.5% YoY) due to a significant increase in advertising expenses and higher rate of cost of sales

Advertising expenses increased (+202.1% YoY) due to the airing of television commercials in URIHO, and segment profit excluding advertising expenses was 182 million yen (-2.8% YoY)

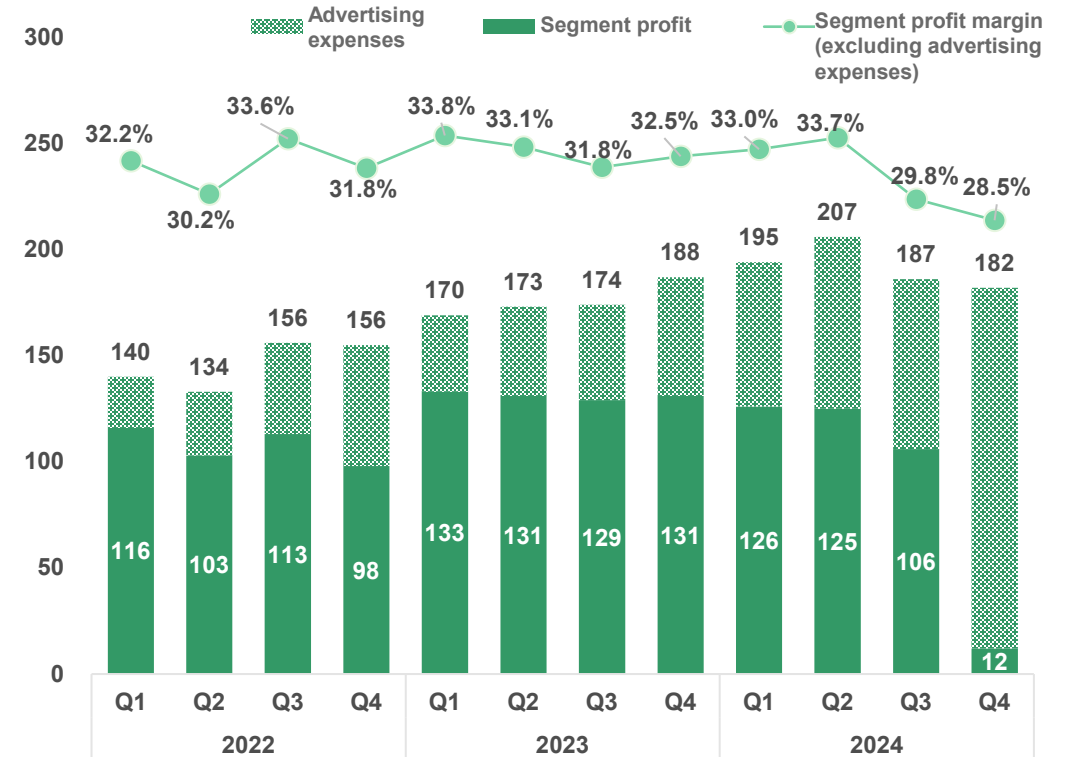
Operating Income (by Quarter)

(Unit: Million Yen)



Operating Income (excluding advertising and sales promotion expenses) (by Quarter)

(Unit: Million Yen)



Appendix

Appendix | Difference between FY 4/2025 Results Forecasts and the Mid-term Management Plan

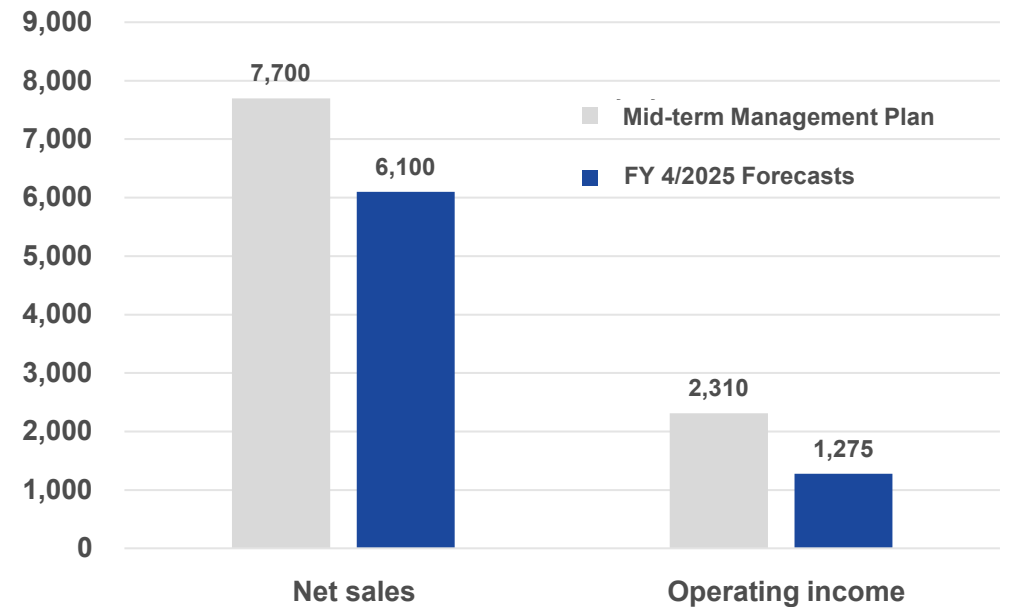
The delay from net sales target for the final year of the Mid-term Management Plan is attributable to delayed GMV growth in the EC business and rent guarantee in the Financial business

In the second year of the Mid-term Management Plan (FY 4/2024), the EC business changed its policy from improving average sale price per customer to significantly increasing the number of buying customers by substantially enhancing advertising and sales promotion expenses

The measures taken after the policy change are effective. Despite a delay from the Mid-term Management Plan targets, the Company aims for a V-shaped recovery with record-high income in FY 4/2025

(Unit: Million Yen)	Mid-term Management Plan	FY 4/2025 Forecasts	Comparison
Net sales	7,700	6,100	79.2%
Operating income	2,310	1,275	55.2%
Operating margin	30.0%	20.9%	-9.1pts
ROE	25.0%	16.9%	-8.1pts

(Unit: Million Yen)



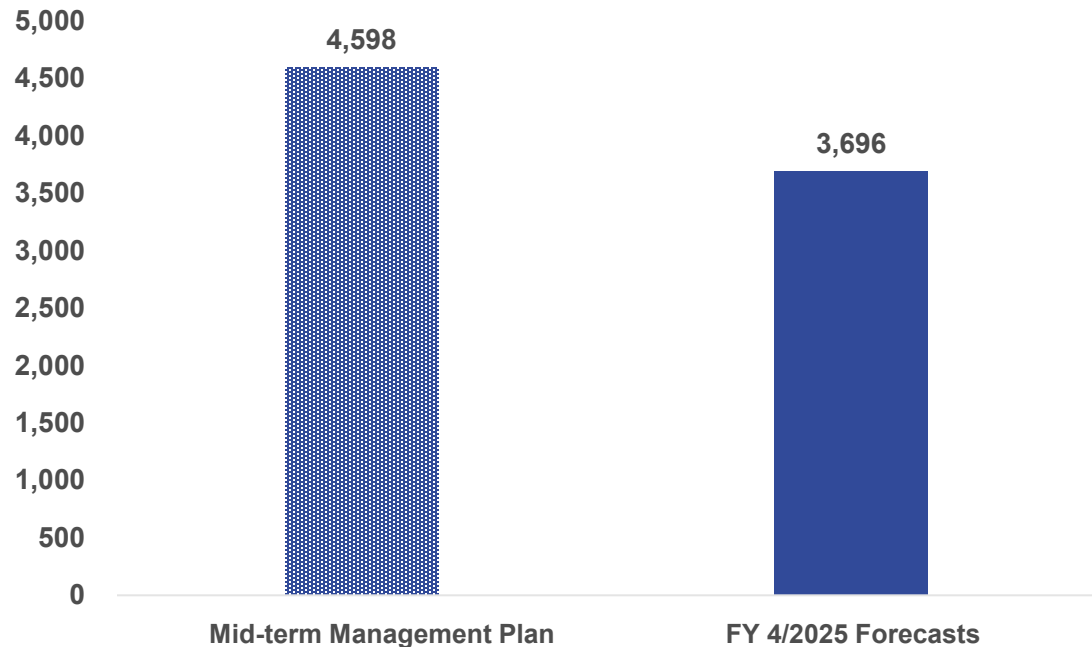
Super Delivery GMV is projected to be 76.4% of the Mid-term Management Plan target

The delay is attributable to misreading the external environment

The Company initially worked to increase LTV, but business sentiment among small, medium and micro companies, which are its main customers, was unfavorable, and average sale per customer did not improve as expected. Accordingly, the Company switched to a policy of increasing the number of buying customers from the second year of the Mid-term Management Plan

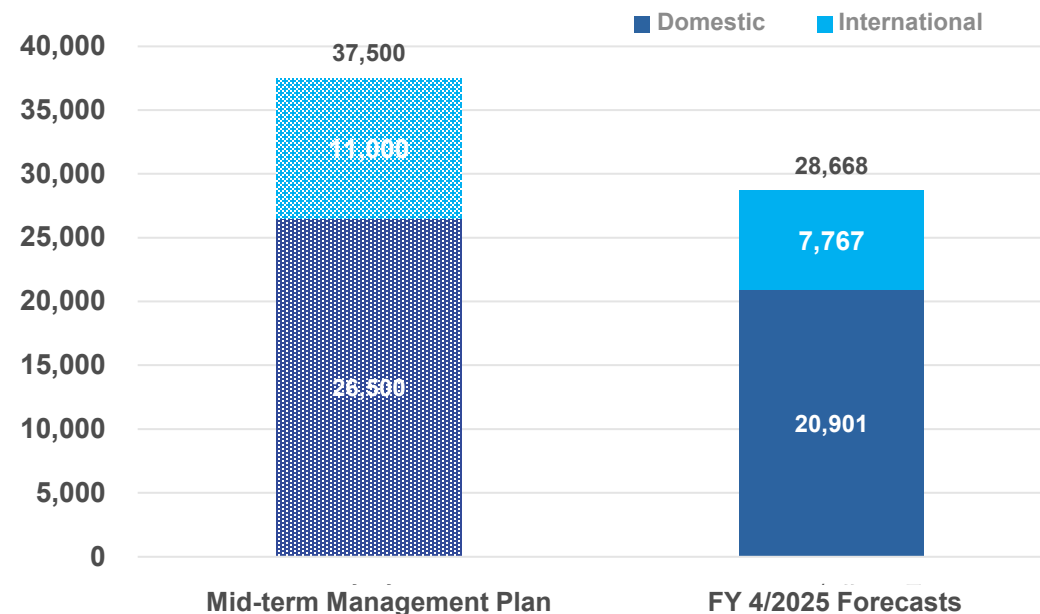
Comparison of Net Sales

(Unit: Million Yen)



Comparison of GMV

(Unit: Million Yen)



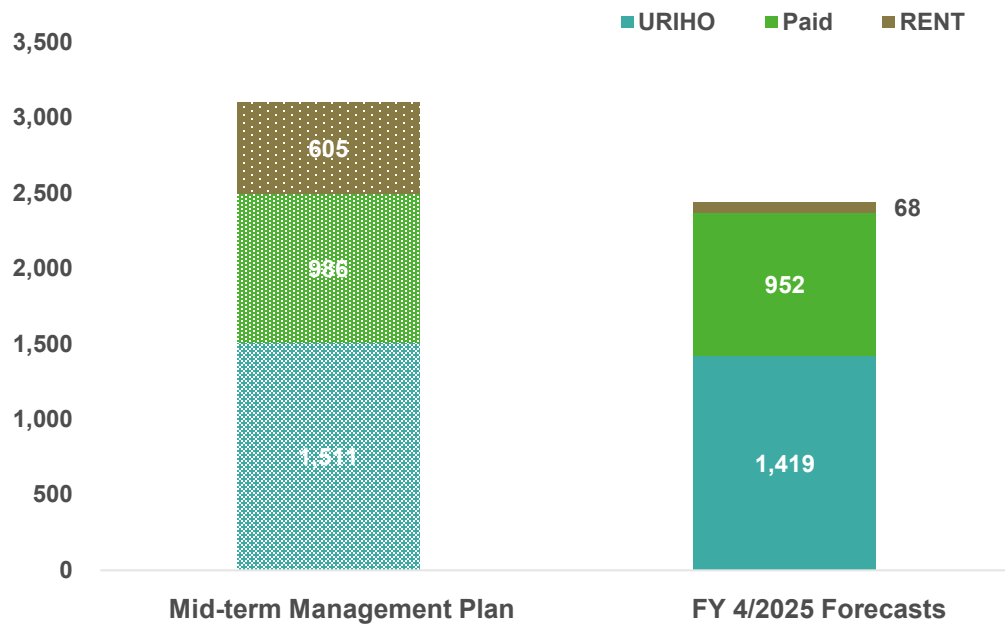
KPIs and net sales of URIHO and Paid are not significantly different from the levels targeted in the Mid-term Management Plan
 RENT (rent guarantee business) is planned to be sold from the perspective of the selection and concentration of business areas.*
 Through the sale, the Company aims to increase capital efficiency

Increased advertising expenses due to strategic investments in advertising (television commercials, etc.) affected income

*Please refer to the “Notice Concerning Conclusion of Memorandum of Understanding on Transfer of Consolidated Subsidiary (Share Transfer)” announced on June 13, 2024

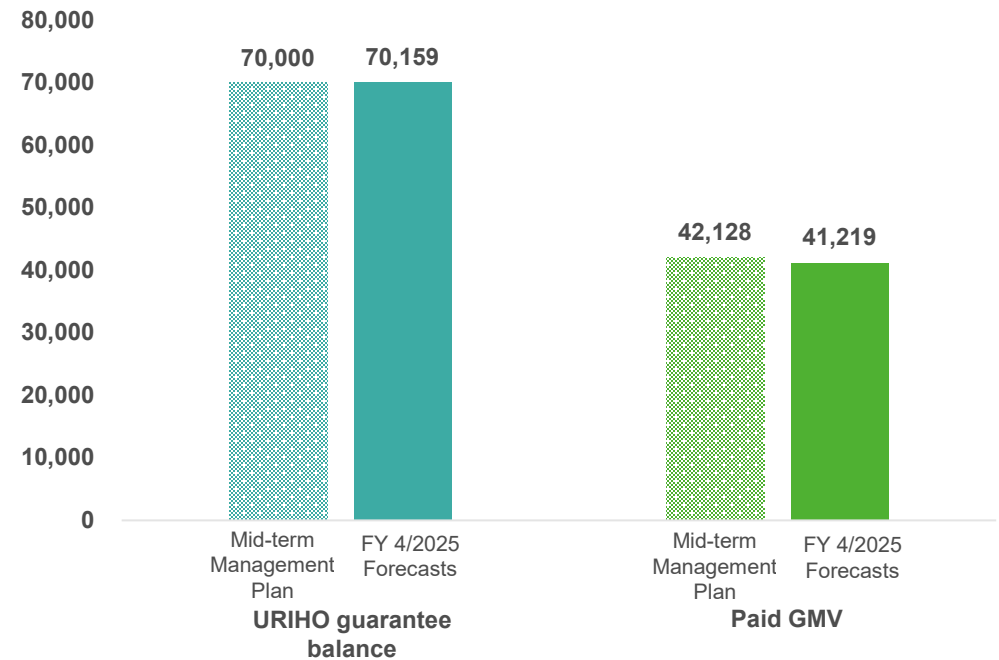
Comparison of Net Sales

(Unit: Million Yen)



Comparison of Guarantee Balance and GMV

(Unit: Million Yen)



(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				2024							
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q				
EC	770,222	784,414	781,893	828,788	796,974	814,418	853,236	867,046				
Financial	503,005	524,498	549,607	578,553	592,558	615,147	627,357	641,326				
Total	1,273,227	1,308,913	1,331,500	1,407,341	1,389,533	1,429,566	1,480,593	1,508,373				

(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				2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
EC	330,732	308,053	307,239	331,675	307,218	121,526	191,888	266,626
Financial	133,418	131,575	129,173	131,779	126,488	125,496	106,816	12,498
Adjustment	-149,447	-146,806	-150,990	-163,173	-155,030	-199,168	-160,027	-177,371
Total	314,702	292,821	285,421	300,281	278,676	47,855	138,678	101,753

(Unit: Million Yen)

	FY 4/2024	FY 4/2023	Change
Cash flows from operating activities	660	1,122	-461
Cash flows from investing activities	-524	-165	-358
Free cash flows	136	956	-820
Cash flows from financing activities	-950	-862	-87
Net increase (decrease) in cash and cash equivalents	-814	93	-908
Cash and cash equivalents at end of period	4,613	5,427	-814

(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				2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
System usage sales	617,971	636,012	638,985	685,838	650,072	673,600	725,048	743,313
Member retailer sales	77,118	74,468	72,464	72,676	77,014	70,864	60,664	56,492
Participating company sales	70,263	68,952	65,543	64,841	64,151	63,952	61,101	60,714
Total	765,353	779,432	776,992	823,356	791,237	808,416	846,813	860,519
Gross merchandise value	5,761,178	5,924,639	5,925,910	6,211,309	5,900,884	6,084,836	6,505,575	6,684,538

	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	4Q
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	27,477
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	226,055
	2024											
	1Q	2Q	3Q	4Q								
No. of buying customers (stores)	27,423	30,922	33,986	33,652								
Value of transactions per customer (yen)	215,180	196,780	191,419	198,637								

(Unit: Thousand Yen)

	2016				2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Paid						58,926	66,018	72,419	72,014	73,894	77,402	80,069
URIHO	109,329	104,991	111,656	114,028	110,760	105,750	103,765	105,173	105,139	104,262	112,914	118,406
Rent Guarantee	5,001	7,433	10,045	12,236	14,306	17,878	19,296	20,839	23,300	26,189	28,126	29,132
Total	150,924	153,308	166,162	176,127	177,263	182,555	189,081	198,432	200,454	204,346	218,443	227,608

	2019				2020				2021			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Paid	87,021	95,868	104,361	111,469	113,519	120,817	119,948	116,461	119,563	125,908	129,883	137,703
URIHO	123,682	130,218	139,784	143,366	148,983	154,368	161,997	172,438	171,857	171,727	178,205	182,102
Rent Guarantee	33,169	31,142	120,379	96,878	100,397	102,281	104,515	99,006	104,342	112,013	114,930	96,254
Total	243,873	257,229	364,526	351,713	362,899	377,467	386,461	387,906	395,763	409,649	423,019	416,060

	2022				2023				2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Paid	136,191	140,933	154,409	167,040	166,728	175,899	187,020	202,245	203,671	207,038	204,452	216,389
URIHO	191,685	199,289	204,911	218,287	221,664	233,195	247,626	264,971	275,053	295,961	313,136	320,976
Rent Guarantee	108,708	106,717	105,267	105,864	114,612	115,403	114,960	111,336	113,833	112,148	109,768	103,961
Total	436,585	446,940	464,588	491,192	503,005	524,498	549,607	578,553	592,558	615,147	627,357	641,326

Inter-segment net sales are excluded.

(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	4Q
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	2,861,010
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	8,630,562
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	11,491,572

	2024			
	1Q	2Q	3Q	4Q
Internal transactions	2,707,621	2,761,392	2,957,288	3,113,932
External transactions	8,794,414	9,031,495	8,874,143	9,371,854
Total	11,502,035	11,792,887	11,831,432	12,485,786

(Unit: Thousand Yen)

	2016				2017				2018			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Subscription-based						239,653	329,089	445,189	936,759	1,458,200	1,901,388	2,250,171
Non-subscription-based	5,241,870	5,447,712	5,629,359	6,267,980	5,803,443	5,656,031	5,360,736	5,713,630	5,848,249	6,285,492	6,681,926	7,657,631
Total	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
Subscription-based	2,937,310	3,520,826	4,162,328	4,795,038	5,507,915	5,997,040	6,587,784	7,853,489	8,667,930	9,014,900	9,979,000	11,334,440
Non-subscription-based	7,374,074	7,882,890	8,031,630	8,814,424	8,565,549	9,096,267	9,423,813	10,176,279	9,735,669	9,820,816	10,886,449	11,742,354
Total	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				2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Subscription-based	12,922,340	14,275,360	15,647,050	17,954,560	19,894,320	23,486,460	26,748,430	29,793,220	33,706,380	36,537,080	38,190,460	40,620,020
Non-subscription-based	11,405,967	11,770,743	12,009,924	12,800,663	12,810,918	13,173,350	13,500,845	14,140,065	13,570,015	14,048,994	14,491,359	15,622,780
Total	24,328,307	26,046,103	27,656,974	30,755,223	32,705,238	36,659,810	40,249,275	43,933,285	47,276,395	50,586,074	52,681,819	56,242,800

(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				2024			
1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
6,923,983	7,018,401	7,220,875	7,539,978	7,553,101	7,581,199	7,583,965	7,602,763	7,666,491	7,605,492	7,612,296	7,606,706

* 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.

Corporate Philosophy

Making corporate activities more efficient and convenient

Providing business infrastructure to support a wide range of transactions

Basic Policy

Solving social issues through business

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

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



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

Environment

Solving Social Issues Through Business

- Actions for climate change
- Fair & equitable trading environment
- Regional revitalization
- Sustainable consumption



Social

Establishment of Pleasant Work Environment

- Diverse work styles
- Ensuring occupational health and safety
- Respect for employee's human rights



Promotion of Diversity

- Graduate, mid-career & foreign national employee ratios
- Maternity and childcare leave acquisition rates
- Gender ratio of managers, etc.



Governance

Fair Business Practices

- Compliance
- Corporate governance
- Risk management
- Assuring a reliable business infrastructure



Engagement with Communities/Society





FY 4/2024 (ended April 2024)
Q4 Financial Results