

enigma

Supplementary Financial Information

First Quarter of FYE Jan. 2023

1Q Results Summary

Fashion-related EC & luxury market did not improve, and the external environment remained challenging due to the yen being weak. We have started to take a series of measures essential for medium- to long-term growth, including measures to entice back inactive members by utilizing data, expanding the scope of concierge services for loyal customers, expanding tie-ups with overseas corporations, adding tie-up delivery services, and strengthening other operations that will promote sales. As such, we plan to continue to invest in growth from a long-term perspective.

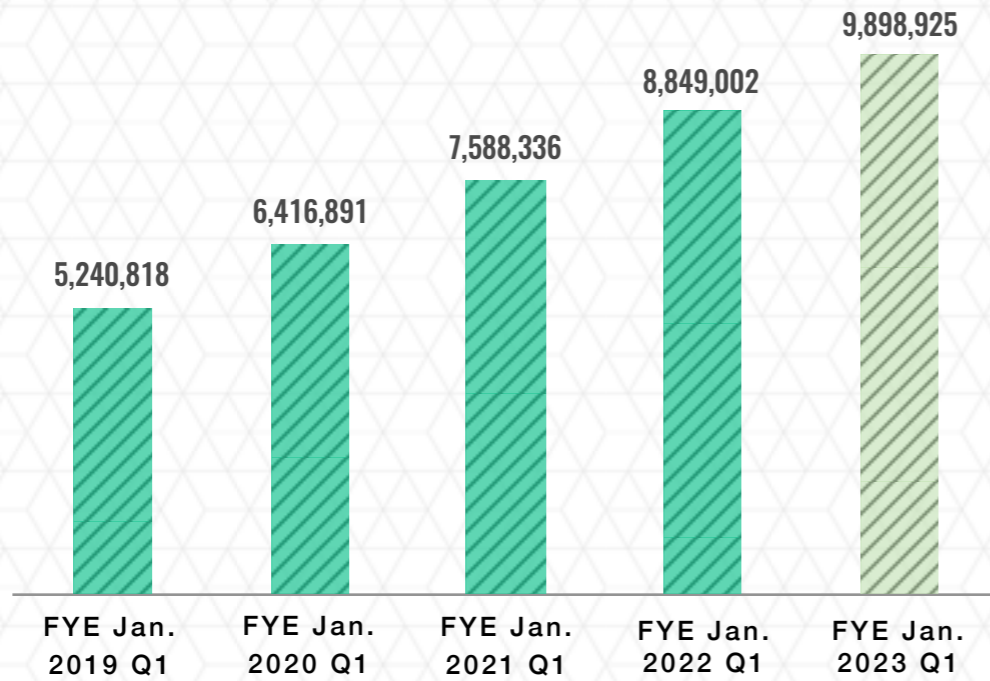
	FYE 2023/ Q1	FYE 2022/ Q1	(Reference Info.) Applying New Accounting Standards FYE 2022/1Q1	(Reference Info.) Applying New Accounting Standards YoY
GMV*Includes fees for settlement of payment	15,170million	16,128million	16,128million	94%
Sales	1,671million	1,831million	1,788million	94%
Gross Profit	1,338million	1,477million	1,434million	93%
SGA	794million	766million	725million	110%
Advertising expenses	299million	309million	261million	115%
personal expenses	350million	316million	316million	111%
Operating income	544million	710million	716million	76%
Ordinary income	545million	713million	719million	76%
Net profit	381million	495million	498million	77%

(Unit: JPY)

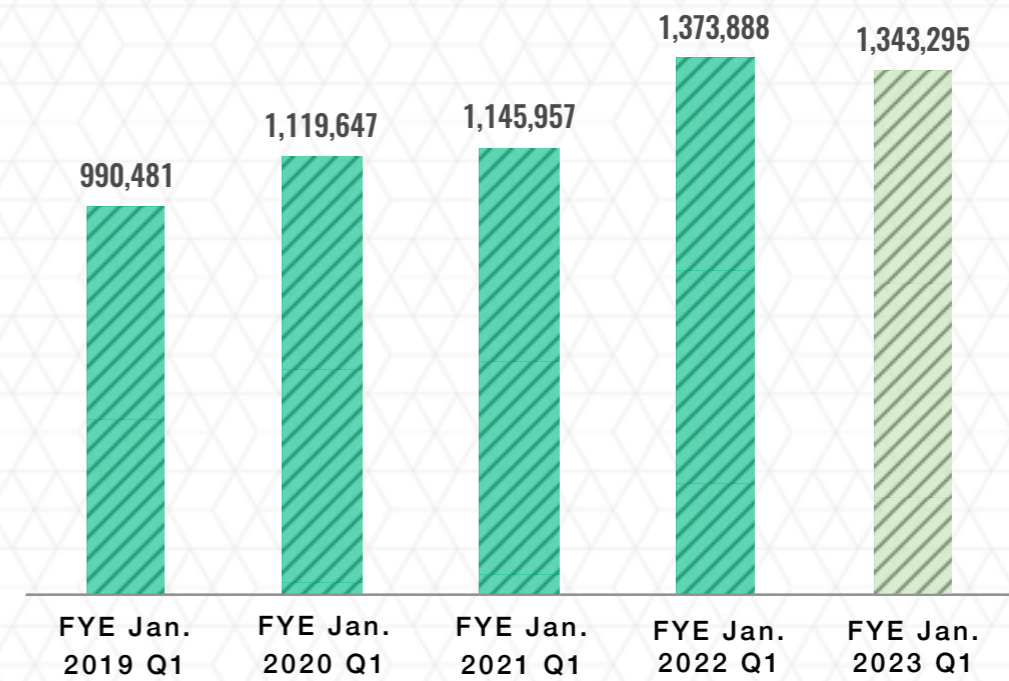
Overview of BUYMA business

Major KPI

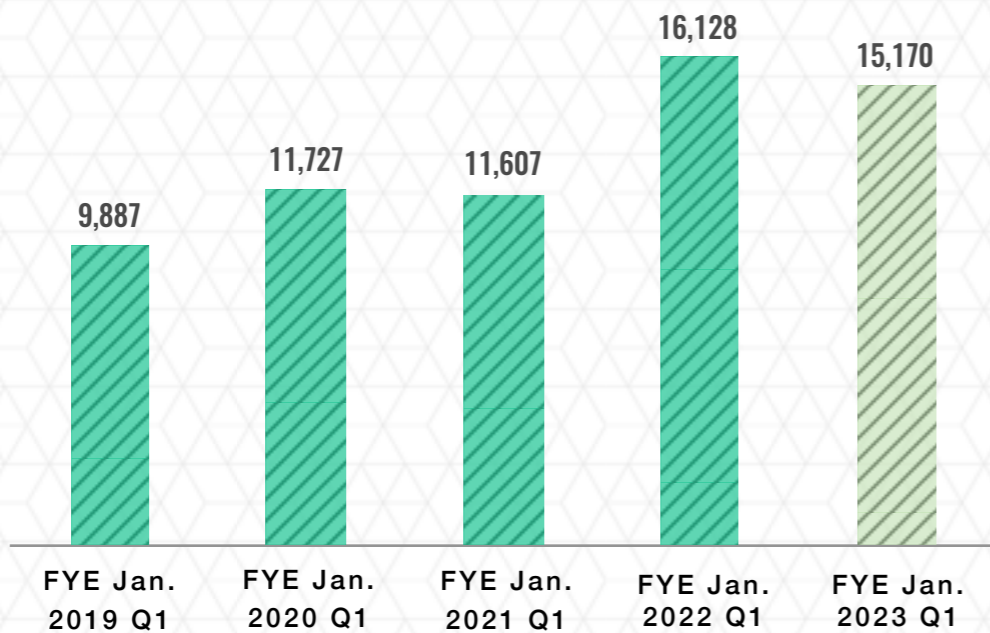
Number of BUYMA members (Unit: person)



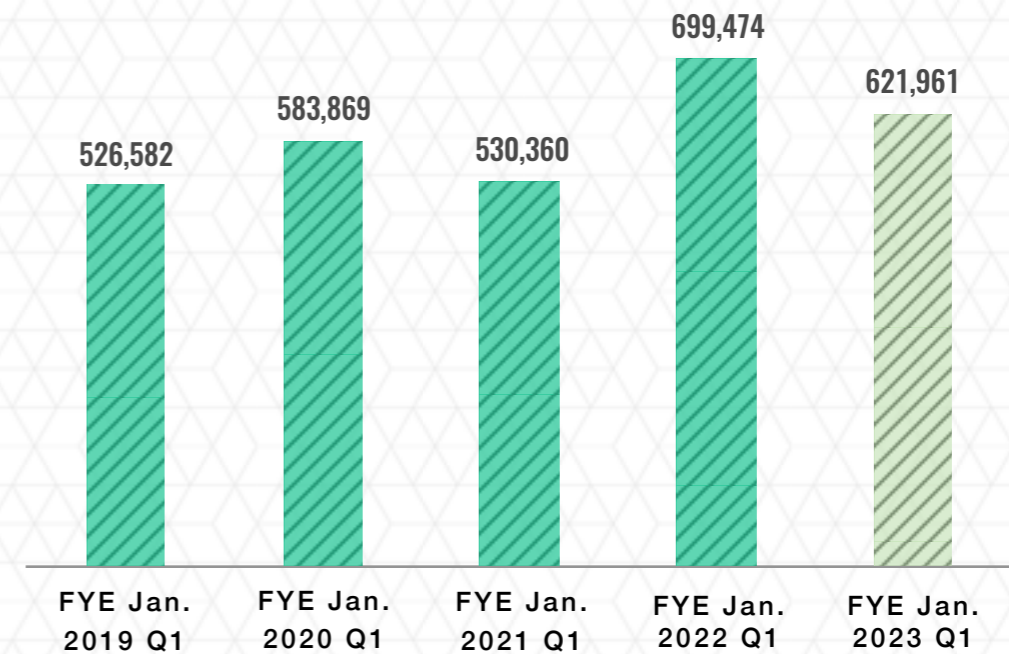
Number of active BUYMA members (Unit: person)



BUYMA GMV (Unit: million yen)



BUYMA number of transactions handled (Unit: no. of transactions)



(Note) GMV: Includes fees for settlement of payment, etc.; active members: Number of members who have made one purchase or more within the past year

Despite the continuing difficult external environment,
there was no significant change in trends,
and GMV grew at the same rate as in the previous quarter.

GMV
(million yen)

25,000

YoY 97%
2-year CAGR 110%

20,000

YoY 94%
2-year CAGR 114%

15,000

10,000

5,000

0

FYE Jan.2020

FYE Jan.2021

FYE Jan.2022

FYE Jan.2021

FYE Jan.2022

FYE Jan.2023

Q4

Q1

ARPU increased, but GMV declined 94% YoY,
due to a decline in active members in Q1.



There was a slight decrease in the number of transactions per person.



* Unit price could be impacted by trends, having a kind of uncontrollable aspect

GMV declined slightly by 92% YoY due to a decrease in sessions caused by a problem with ad placement on Google and the failure of key products to rank higher on the BUYMA product search results page.

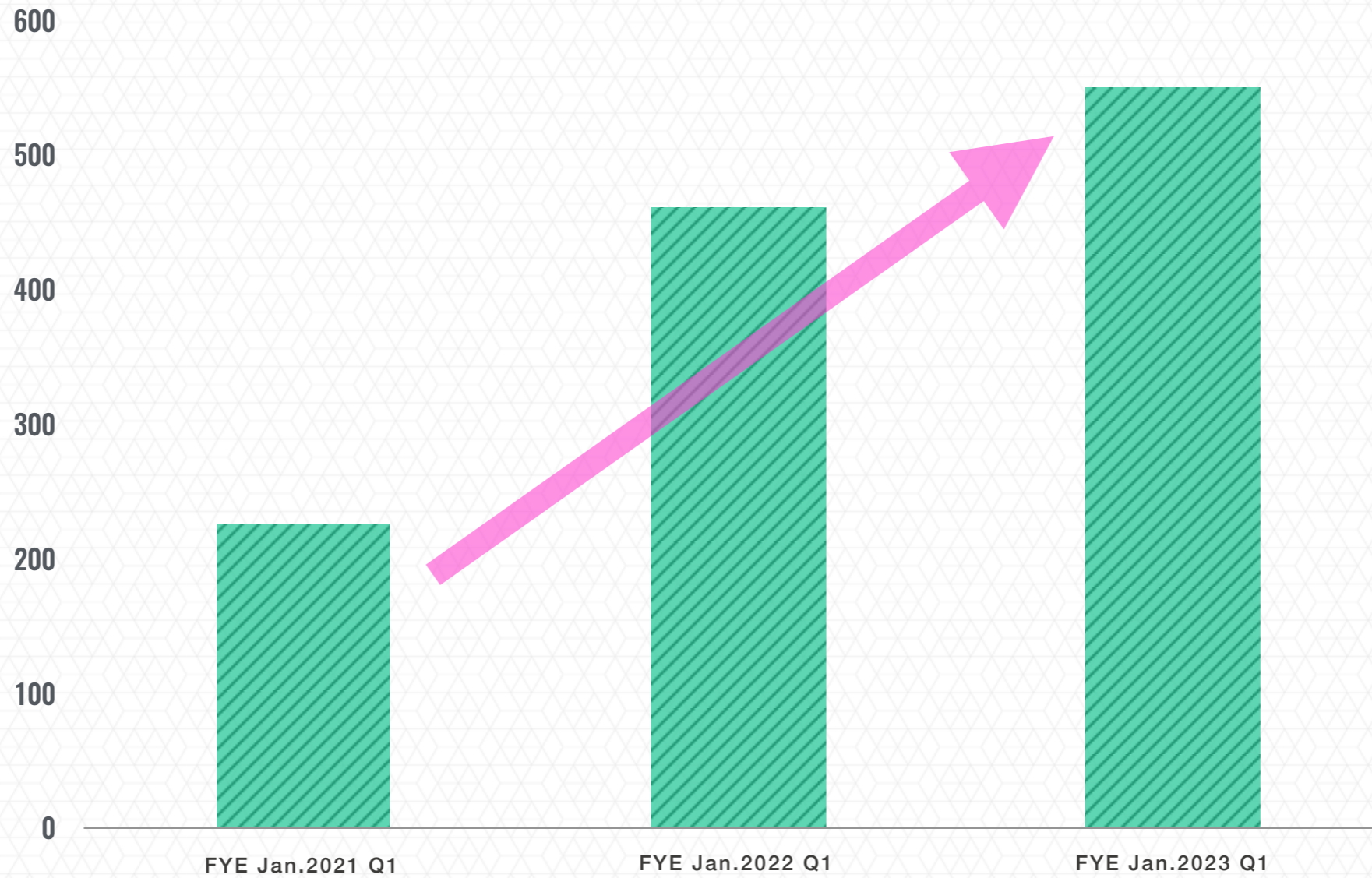


Regarding the decrease in overall trading volume

- Sessions decreased significantly due to product ad placement issues on the Google side caused by UI/UX modifications (addition of product inquiry popups).
- Also, the rate of adding products to the cart decreased due to the fact that key products for GLOBAL BUYMA were not displayed at the top of the product search results page.
- The above issues have already been addressed.

Outdoor and travel-related products performed well, up 119% YoY (2-year CAGR 156%)

GMV
(unit : million yen)

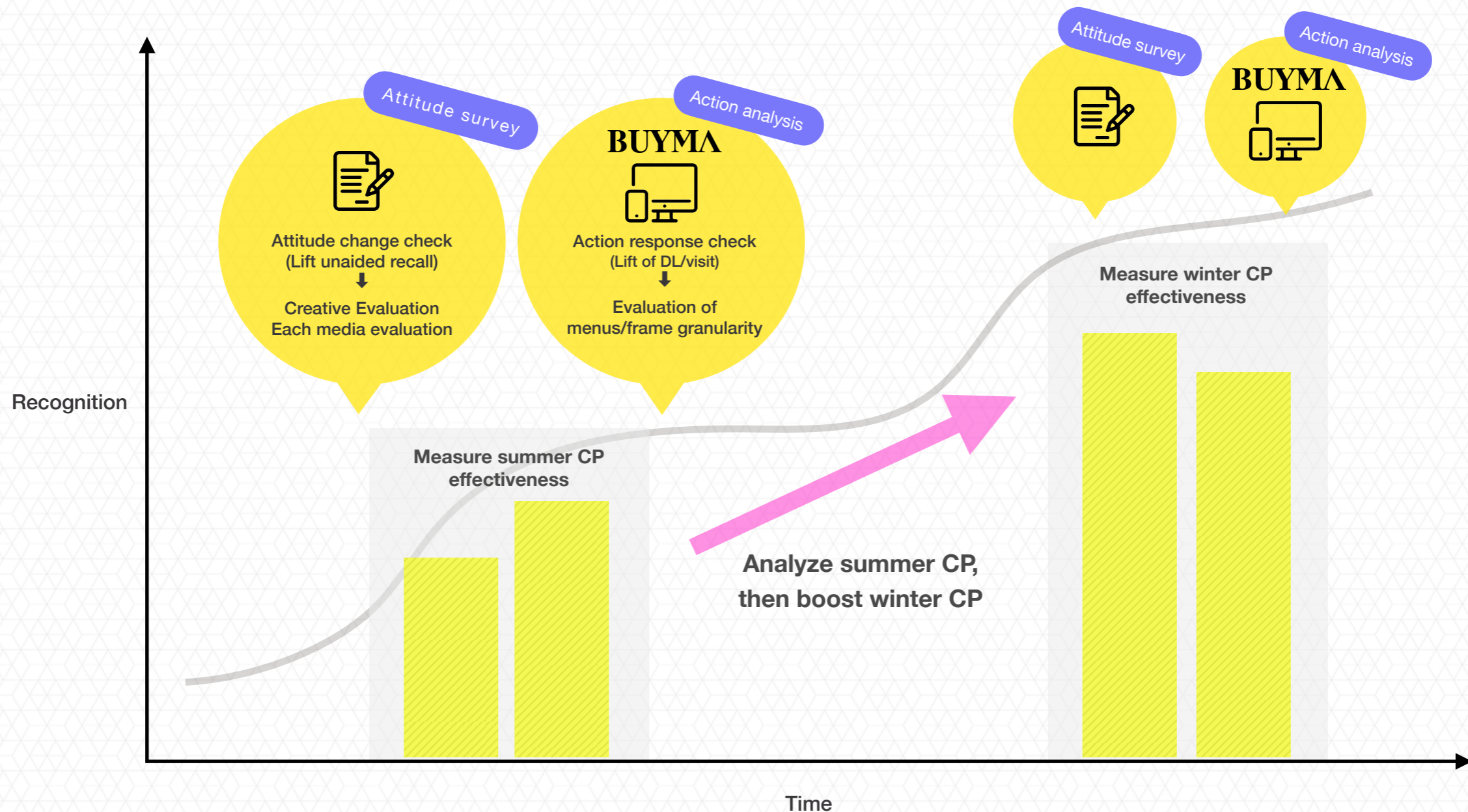


Measures to Improve Level of Recognition

Measures to Improve Level of Recognition

TV commercials will begin airing on June 24.
Unaided recall will be firmly established through two campaigns,
one in summer and the other in winter.

We will develop a campaign with a mix of TV commercials and digital media (YouTube, Instagram, etc.),
and will secure placement volume in winter, the commercial season,
while raising awareness on an annual average basis



Expected Effects of Mass Media Campaign

Aim to gain recognition of 9.1 million people through biannual campaigns.

At the end of the campaign in December 2022

	Population ^{*1}		Increase in recognition ^{*2}		Obtain recognition
EC Users	46.1 million	×	10% UP	=	4.61 million
Online shopping /non-EC users	24.9 million	×	18% UP	=	4.49 million
					Total 9.1 million

*1 Our calculations based on the "Ministry of Internal Affairs and Communications 2020 Telecommunications Usage Trends Survey" and the "Digital Agency: Japan's Digital Degree 2021" (for people aged 15-64)

*2 Our planned figures based on our own survey

Share Buybacks

We had repurchased 328 million yen worth of treasury stock by the end of May amid continued undervalued stock price levels.

	Purchase amount	Number of shares purchased
Amount repurchased by the end of May	328 million yen	592,400
Planned repurchase *	1.5 billion yen	2,500,000

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Forward-looking projections and forecasts contained within this document are made based on information available as of today.

Actual business performance may differ from projections due to risks and uncertainties in the future.