

enigma

Supplementary Financial Information

Third Quarter of FYE Jan. 2023

Performance Summary

The further depreciation of the yen, higher listing prices due to inflation overseas, and declining consumer sentiment toward foreign imports continued to slow the growth of light user usage.

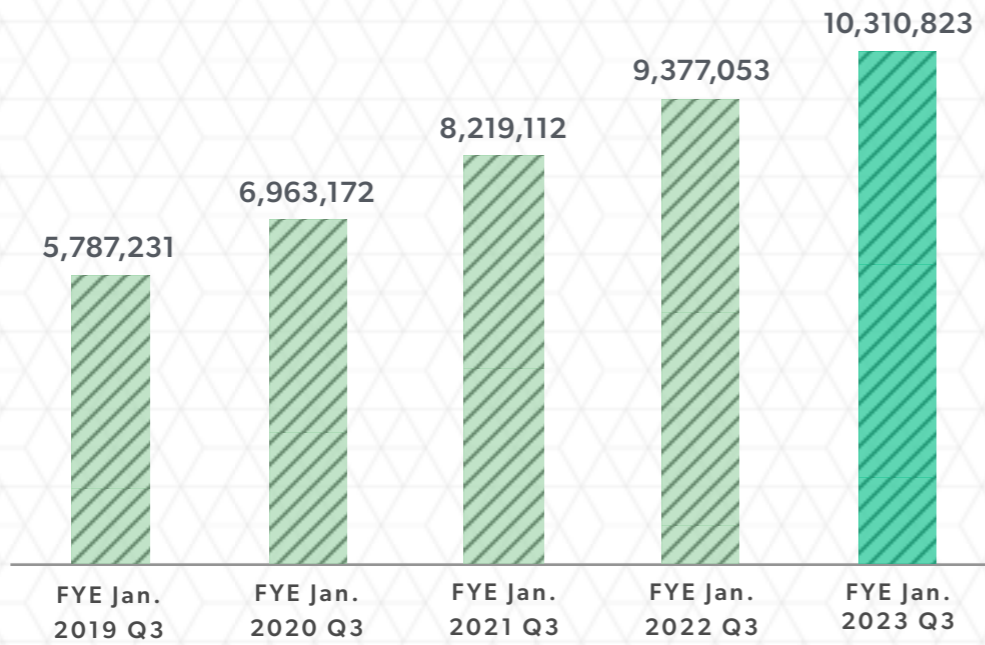
On the other hand, the BUYMA studio is now in full-scale operation, and the enhancement of original content and SNS operations are beginning to produce steady results.

	FYE 2023/1 Q3	FYE 2022/1 Q3	(Reference Info.) Applying New Accounting Standards FYE 2022/1 Q3	(Reference Info.) Applying New Accounting Standards YoY
GMV*Includes fees for settlement of payment	43,278 million	46,471 million	46,471 million	93.1%
Sales	4,740 million	5,298 million	5,178 million	91.5%
Gross margin	3,786 million	4,279 million	4,159 million	91.0%
SG&A	2,961 million	2,305 million	2,183 million	135.7%
Advertising expenses	1,390 million	1,013 million	891 million	155.9%
Personnel expenses	1,130 million	898 million	898 million	125.9%
Operating income	824 million	1,974 million	1,976 million	41.7%
Ordinary income	836 million	1,994 million	2,006 million	41.7%
Net Profit	590 million	1,358 million	1,366 million	43.2%

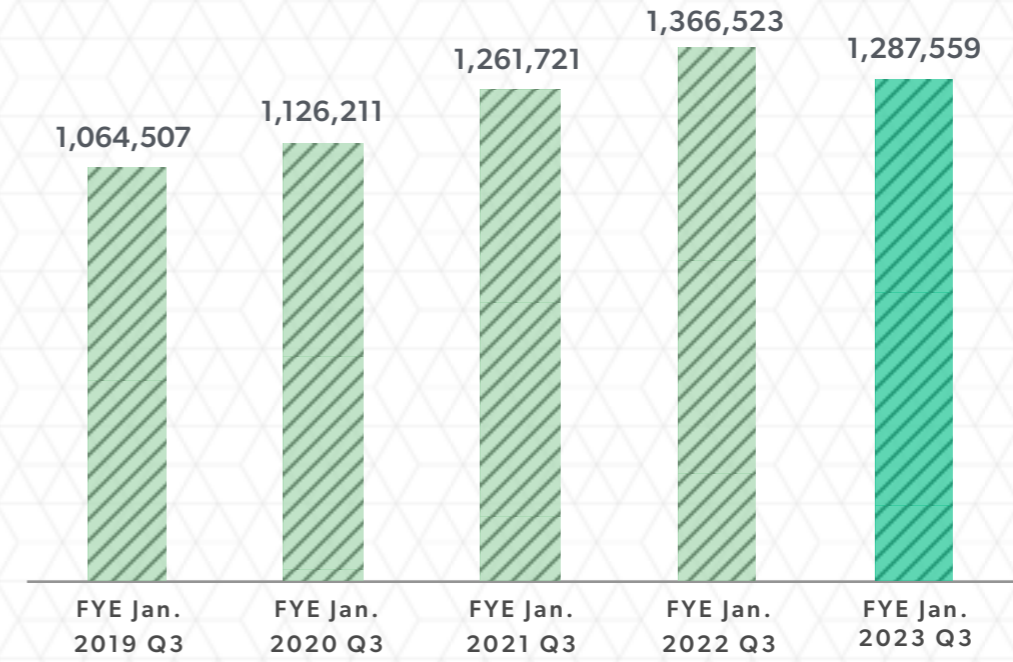
(Unit: JPY)

Transitions in major KPI

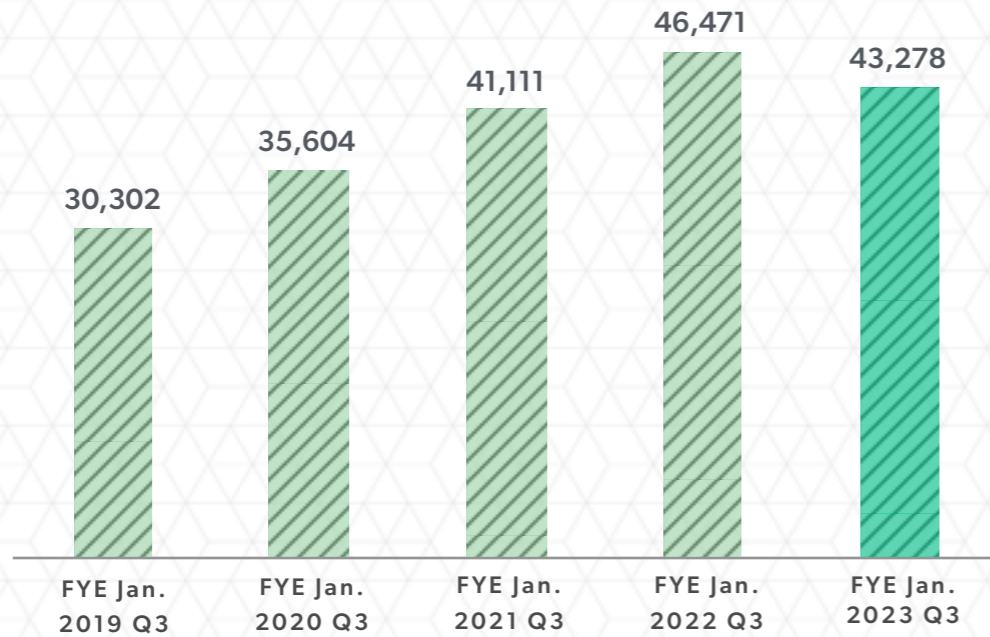
Number of members (Unit: person)



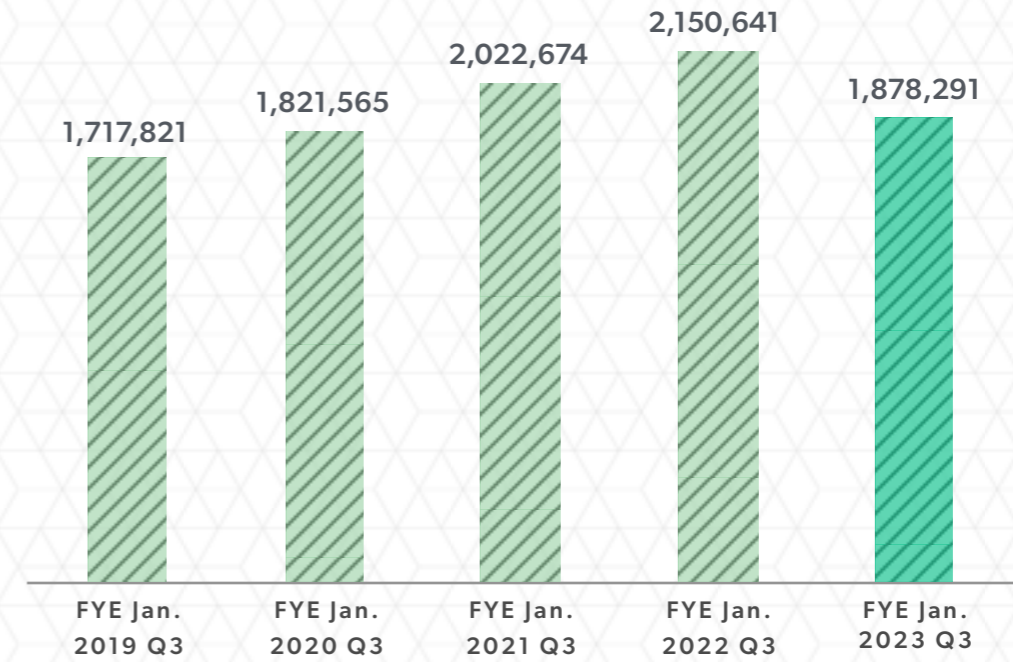
Number of active members (Unit: person)



GMV (total) (Unit: million yen)



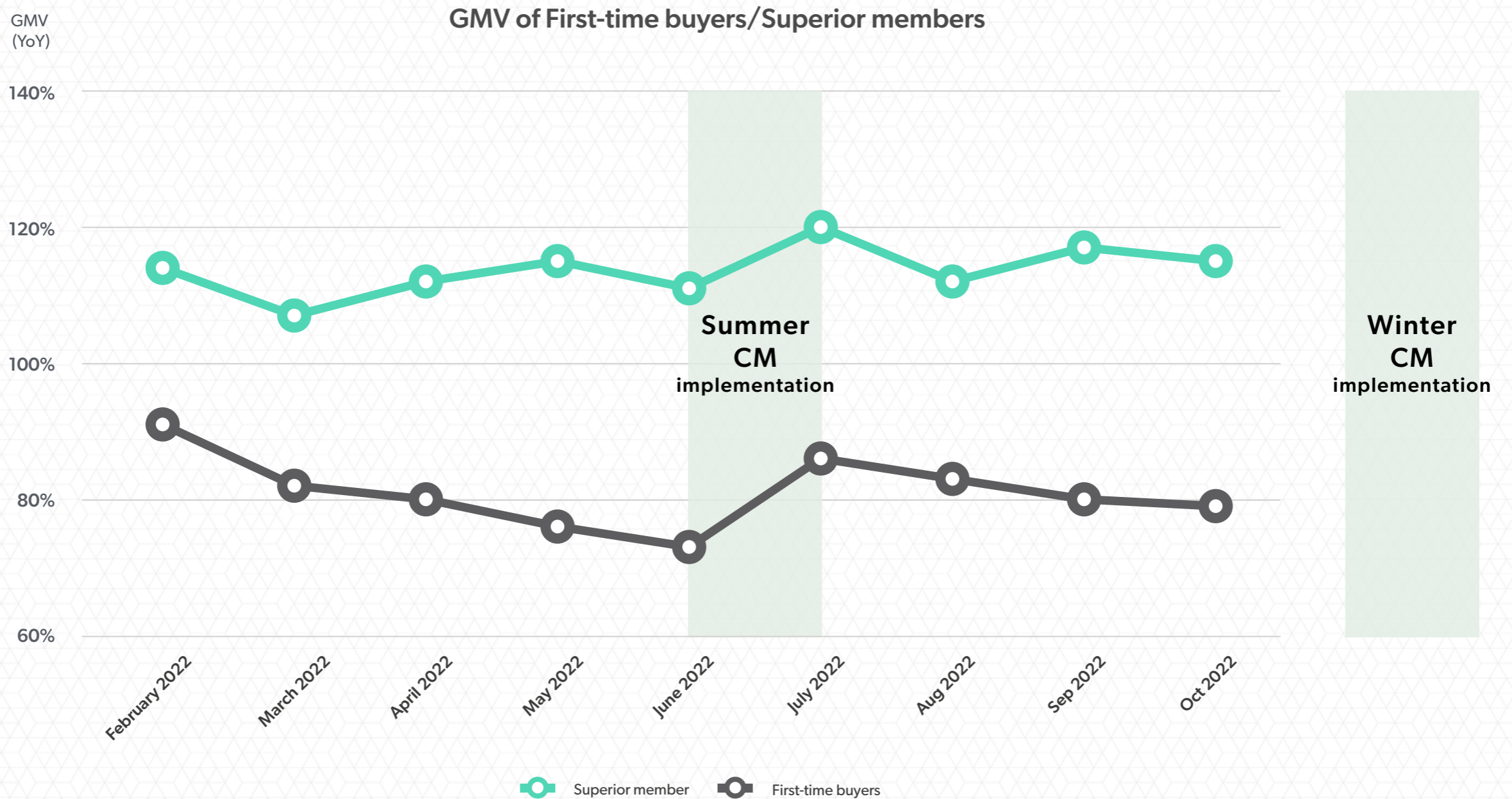
Number of transactions handled (Unit: no. of transactions)



*GMV: Amount of account settlements including such things as payment for goods and fees for settlement of payment in contracted transactions

*Number of active members: members with a purchase history within the past year

While GMV for first-time buyers continues to be sluggish, the GMV for superior members (those who purchased more than ¥500,000 in the previous fiscal year), who account for about 10% of GMV, continued to grow at a high rate (average 115% in Q3)



*Describes transitions related to BUYMA in Japan

TV commercials will have aired on key stations and in major cities from November 23rd to December 25th.

Long Version: https://www.youtube.com/watch?v=_UYMrkDOXXU



Exposure via TV
Awareness of BUYMA

STYLE HAUS

YouTube
Instagram
Twitter etc.



BUYMA

Style House and YouTube ads were also run during the same period to strengthen engagement with BUYMA from multiple perspectives.

Winter Campaign Appeals

Creative commercials that promote the pure recall of BUYMA, saying “BUYMA has new items from foreign brands that are hard to find in Japan.”

In addition, various campaigns linked to the commercials will promote the company's safety and security initiatives to increase awareness and lead to actual purchasing activities.

BUYMA's safety and security initiatives



BUYMA
安心安全委員会

- ① Authenticity Guarantee System: Free Appraisal Service
- ② Patrols by the BUYMA Safety and Security Committee
- ③ Returned goods compensation system
- ④ Initial defect compensation system
- ⑤ Loss compensation system

BUYMA studio is a showroom-type event space for real experience of “BUYMA” that has existed only digitally until now
BUYMA’s unique approach to international fashion and lifestyle content is consolidated here and disseminated nationwide



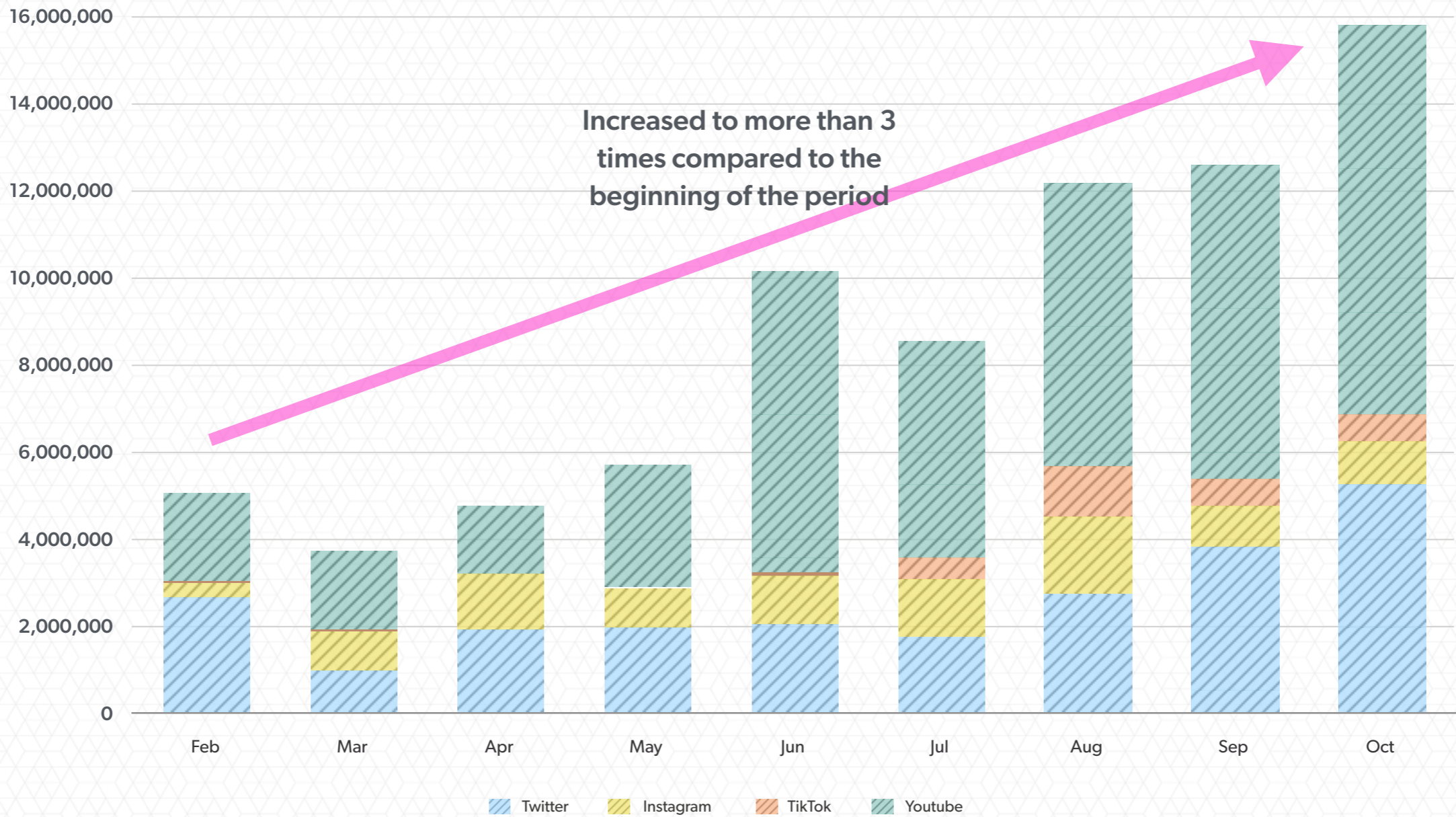
In the store, you can not only pick up and try products freely, but also enjoy the experience of purchasing products by reading product information with your smart phone by bringing it close to the product and read the product information to enjoy the purchase experience.

An event for celebrating 10 million BUYMA members has been held from 10/24 to 10/30. The sales of the exhibited items on BUYMA increased significantly during the period, and we responded well to the new form of marketing in collaboration with the store.

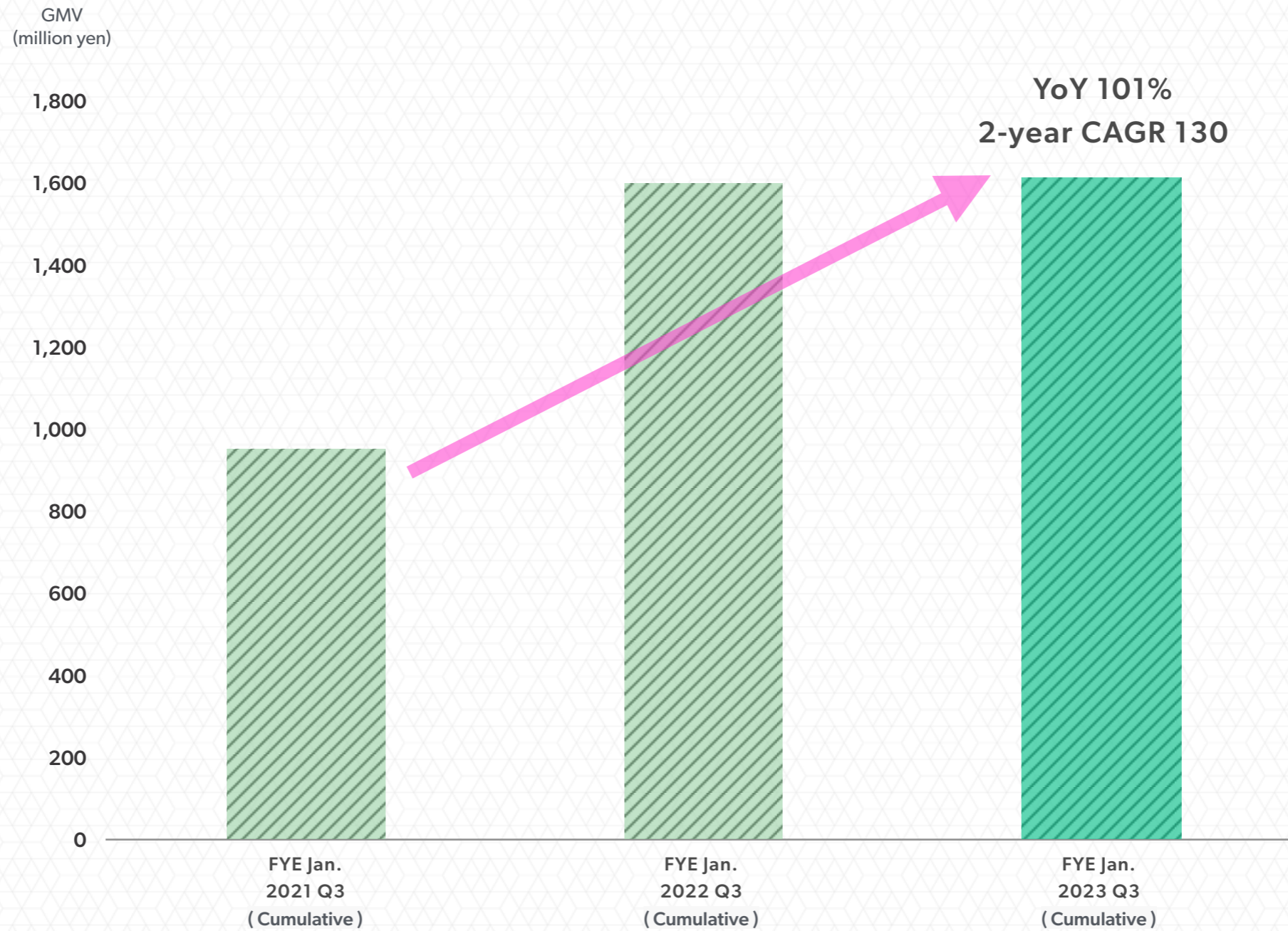
We are also accelerating the dissemination of information from studio and strengthening SNS marketing in conjunction with our own media, STYLE HAUS (see next page).

With the implementation of TV commercials in June and July and the opening of BUYMA studio, the number of impression on major SNSs rose significantly

Number of impression by major SNSs



While demand for interior goods has been sluggish,
the outdoor and travel products are selling well
YoY 101% (2-year CAGR 130%)



GMV in Q3 recovered to 94% YoY due to the effectiveness of the cancellation rate reduction measures and the increase in CVRs



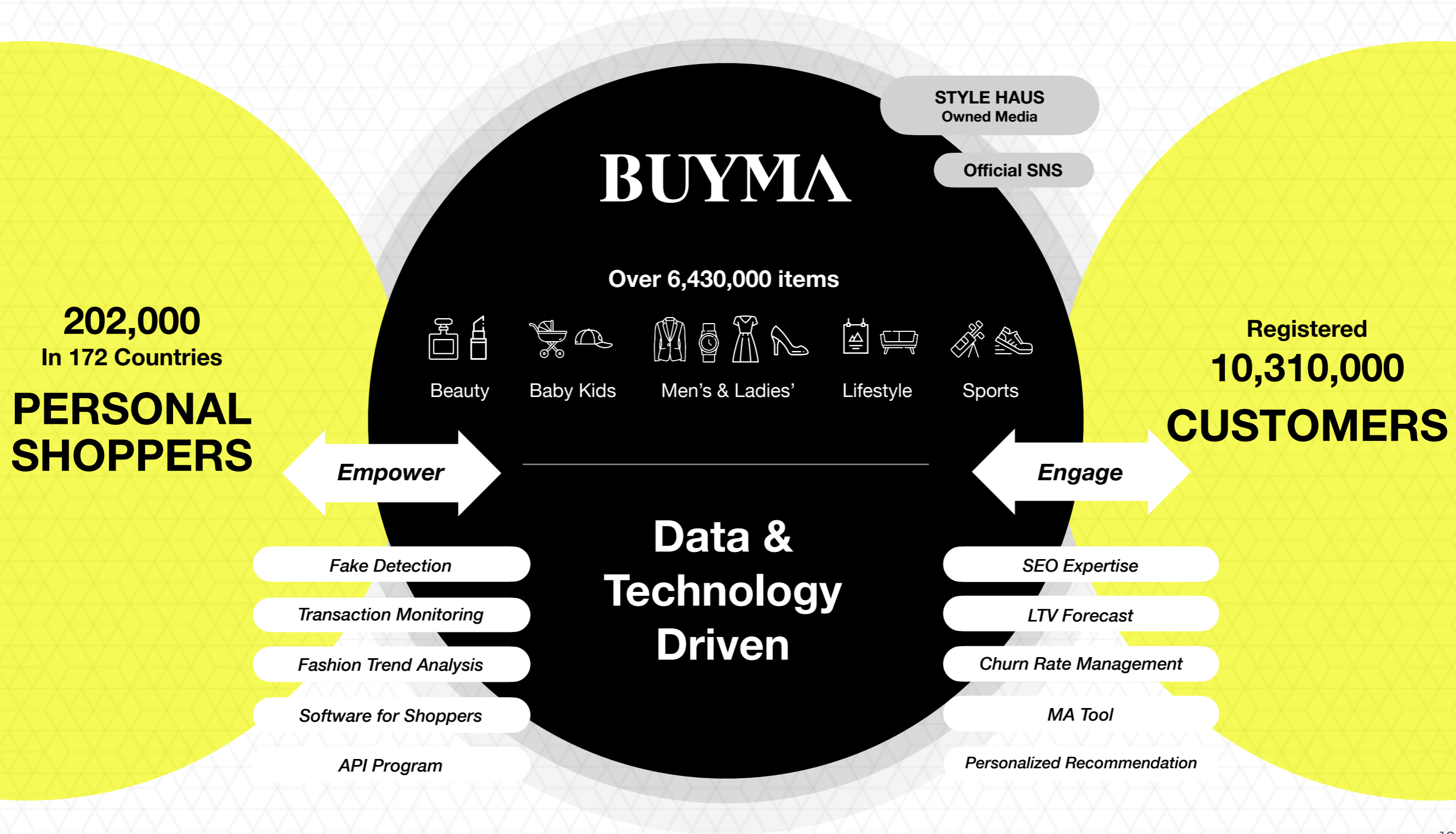
Q3 Progress

PS Elite	Exclusive seller registrations up 157% YoY
SEO	Optimization, resulting in 165% YoY in top-ranked search keywords
CVR	CVR in Q3 was 109% YoY

Growth potential

Expand the economic sphere by adding product categories and new areas (e.g., travel) by leveraging customer insights accumulated through the operation of BUYMA.

Aim to become a global venture by offering products domestically and internationally.



Much room for growth in the BUYMA business, both in Japan and overseas.

The EC conversion rate is expected to increase and we will continue to maintain growth.

Results of FYE Jan. 2022
GMV 67.6 billion yen

GMV

Fashion EC

US market size:

12.7 trillion yen

(EC conversion rate 46.0%)

Fashion EC domestic market size:

2.2 trillion yen

(EC conversion rate 19.4%)

**Interior goods EC domestic
market size: 2.1 trillion yen
(EC conversion rate 26.0%)**

**Overseas optional tours
and activities
Market size*3
260 billion yen
(EC conversion rate 20.0%)**

*1: E-Commerce Market Survey, Ministry of Economy, Trade and Industry

*2: External statistical data

*3: Estimated by our company based on the financial results of travel industry companies

Share Buybacks

We had repurchased 0.955 billion yen worth of treasury stock by the end of November amid continued undervalued stock price levels.

	Purchase amount	Number of shares purchased
Amount repurchased by the end of November	0.955 billion yen	1,738,900
Planned repurchase*	1.5 billion yen	2,500,000

*March 2022 to February 28, 2023

This document is intended to provide an understanding of the company and is based on actual results and current plans. The plans are subject to change in the future due to various uncertainties inherent in them.