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障がい者アートを応援しています

Overview of Financial Results

for the Three Months Ended June 30, 2024

Corporate Information



Name	Syuppin Co., Ltd.	
Securities Code	3179	
Representative	Naohiko Ono	
Head Office	Daiwa Nishi-Shinjuku Bldg.3F., 14-11 Nishi-Shinjuku 1-chome, Shinjuku-ku, Tokyo, Japan	
Date of Establishment	August 2005	
Business	Safe and secure online trading of valuable new and used items	
No. of Employees	244 (as of the end of March 2024)	
History	Aug. 1994	Camera business set up under the specialty shop name of Map Camera
	Aug. 2005	Company established with 100 million yen in capital
	Jun. 2006	Watch purchase and sales business started
	Apr. 2008	Stationery purchase and sales business started
	Nov. 2008	Sports bicycle purchase and sales business started
	Dec. 2012	Listed in the Mothers Market of the Tokyo Stock Exchange
	Dec. 2015	Listing changed to the First Section of the Tokyo Stock Exchange
	Dec. 2019	Launched dedicated website for ladies' watches
	Jan. 2022	Concluded a capital and business alliance with FUKUI CAMERA SERVICE, Ltd.
	Apr. 2022	Shifted to the Prime Market of the Tokyo Stock Exchange
	Nov. 2022	BRILLER expanded the store and reopened the store as a ladies' brand salon.
	Mar. 2024	Concluded a capital and business alliance with SIGMAXYZ Group.

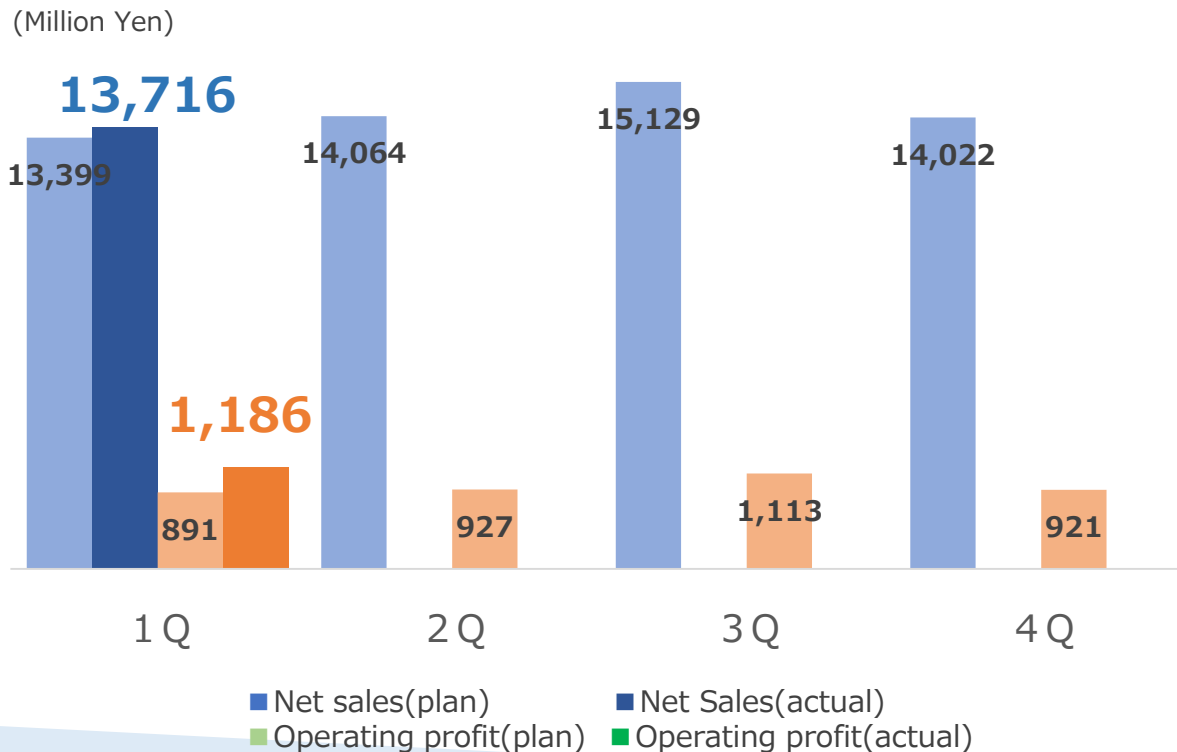
Highlights of 1Q Results



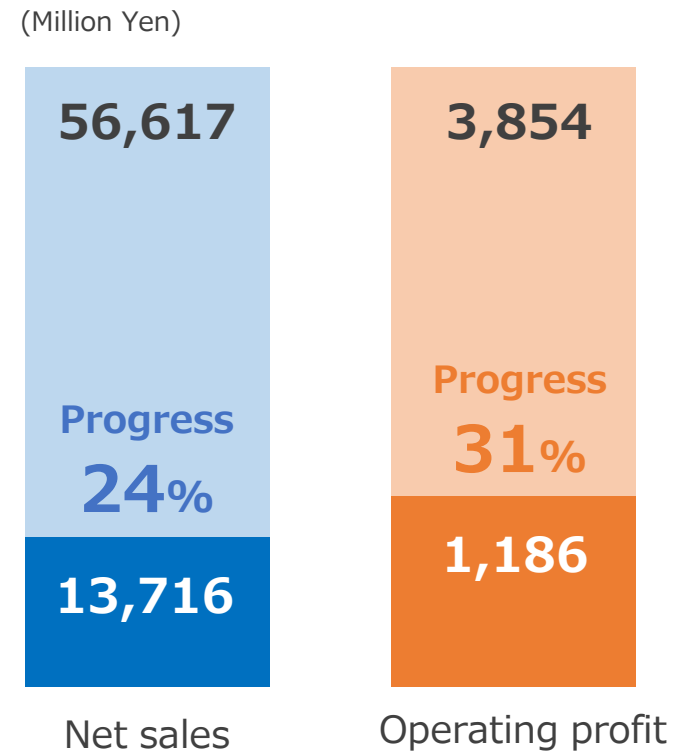
Net sales and operating profit were 102% and 133% of the respective plans, showing steady progress toward the full-year targets.

- Net sales / Profit : Quarterly sales **reached a record high, achieving 121% of the year-ago level**, while **the gross margin stood at 19.7%**, showing steady progress toward the target.
- Topics: [Camera business] Solid growth was achieved on the back of sales of new products and an increase in the number of products purchased by women, as well as strong market conditions.
[Watch business] **Profit exceeded the plan every month**, and the business continued to grow while simultaneously securing profit on a consistent basis.

Quarterly Change in Forecast and Actual Performance



Full-year Forecast and 1Q Progress



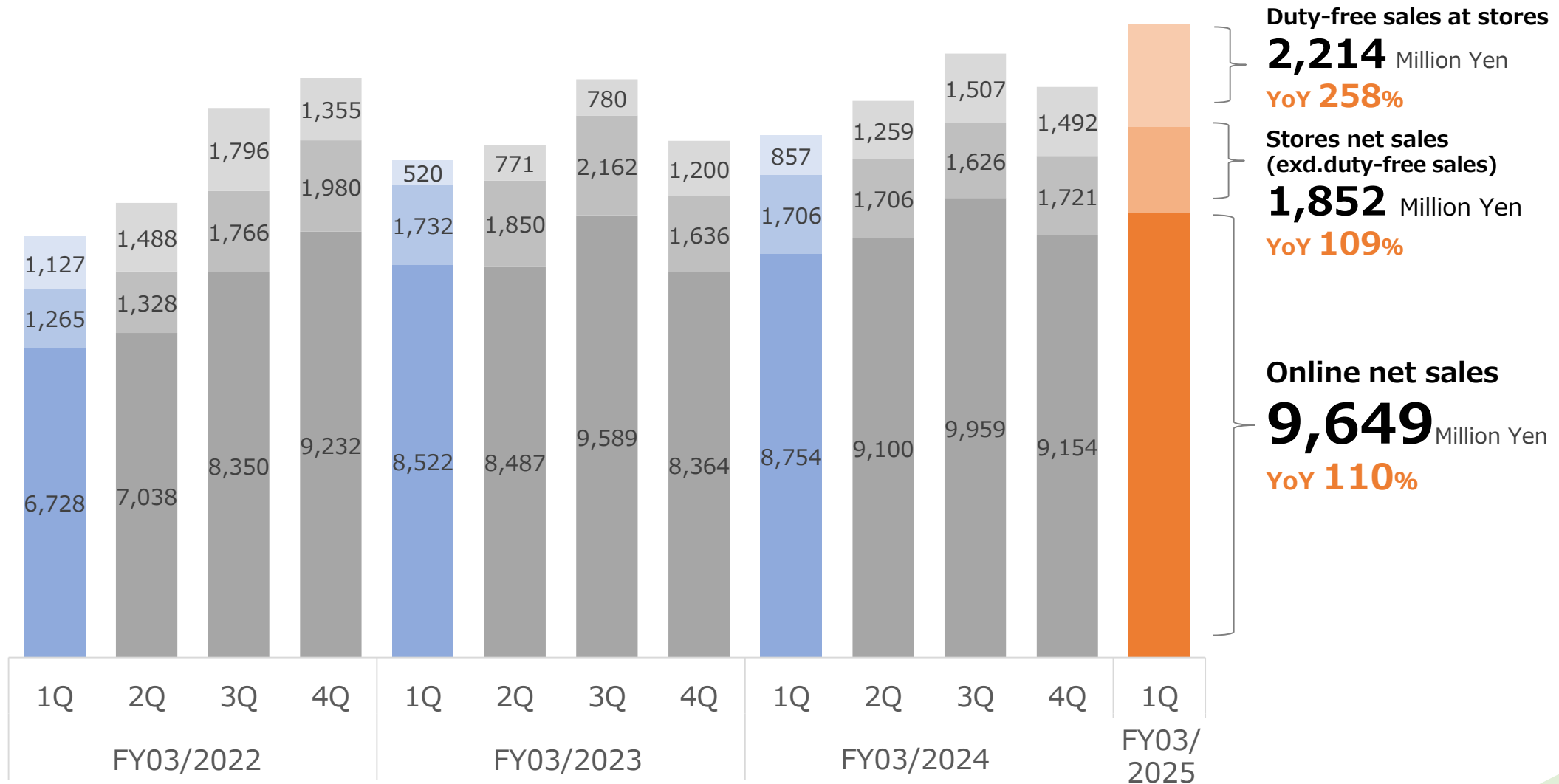


Sales / Purchases Records

Trend in Net Sales by Sales Channel (Quarterly)

Net sales **reached a record high** on a quarterly basis.

Sales of the camera and watch businesses, which are mainstays, were strong, partly aided by duty-free sales on the back of the weak yen.

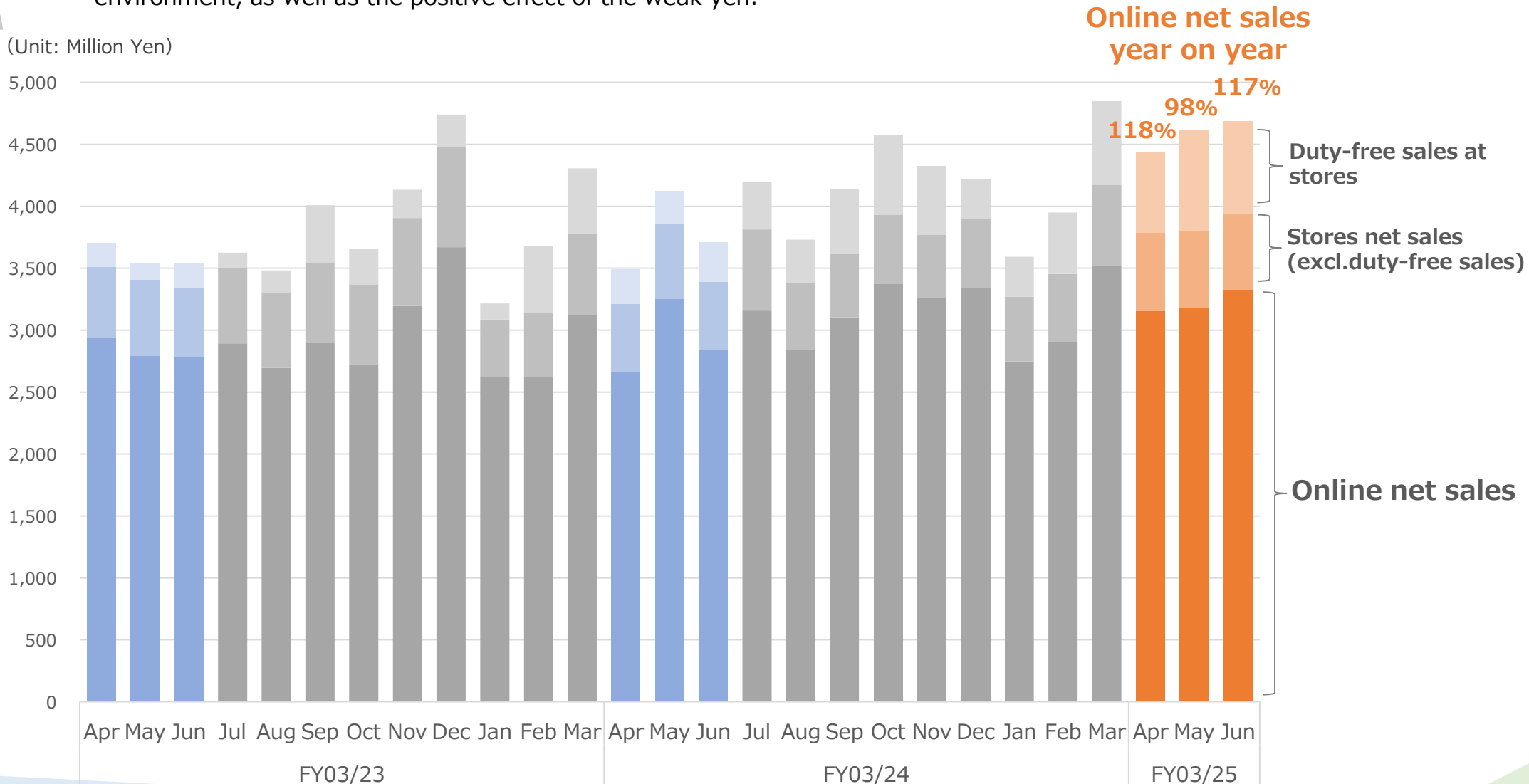


Trend in Net Sales by Sales Channel (Monthly)



- **EC:** As in May in the previous year, in which strong camera sales were recorded thanks to hit models, solid sales were registered in May in the current period as well, while in April and June, double-digit growth was achieved.
- **Stores:** As in EC, sales exceeded the year-ago level, while in April and June, double-digit growth was achieved.
- **Duty-Free:** Sales doubled or tripled year on year due to an increase in inbound demand in the post-COVID-19 environment, as well as the positive effect of the weak yen.

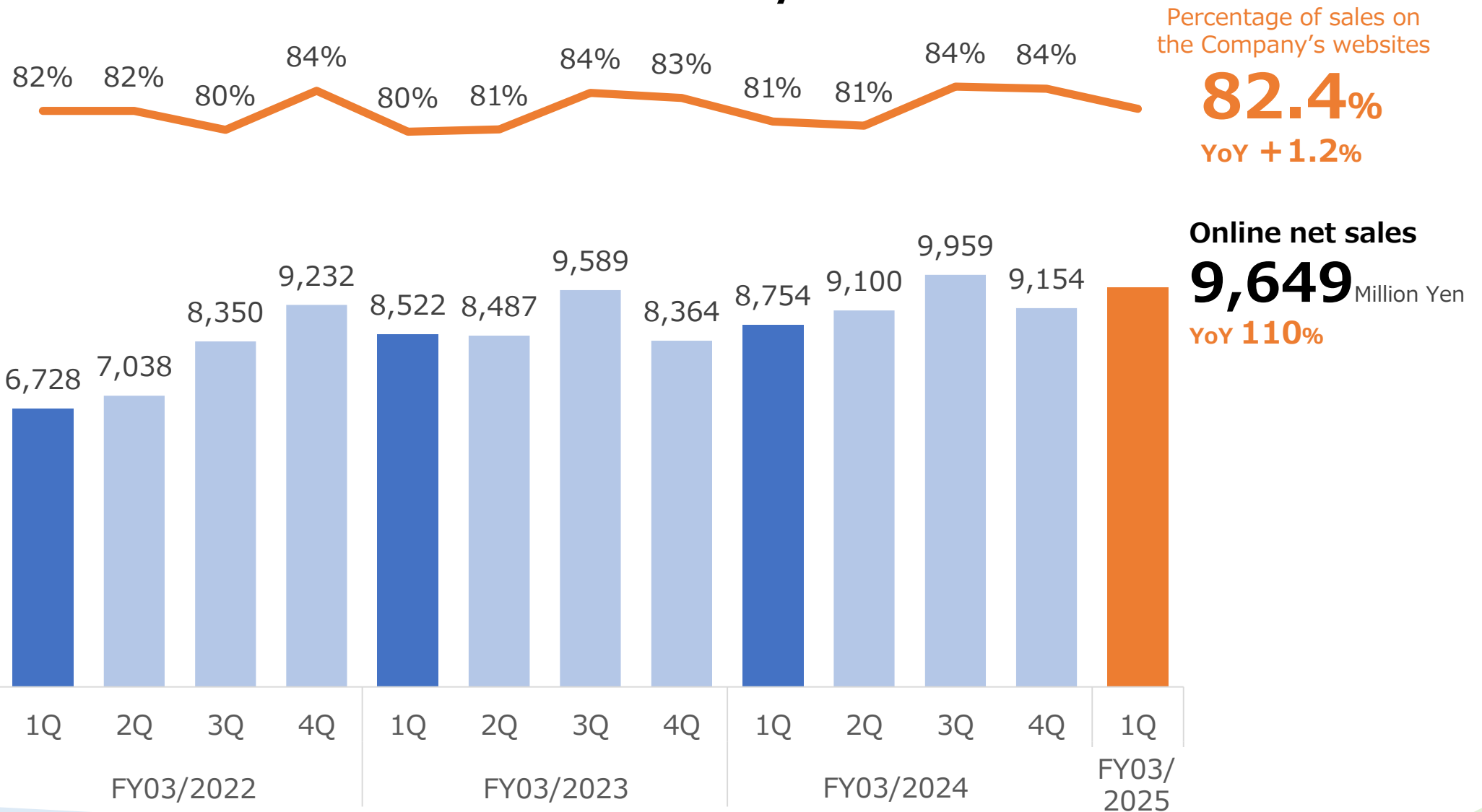
(Unit: Million Yen)



Trends in Online Net Sales (Quarterly)



The percentage of sales on the Company's websites **remained high at a level of consistently over 80%.**

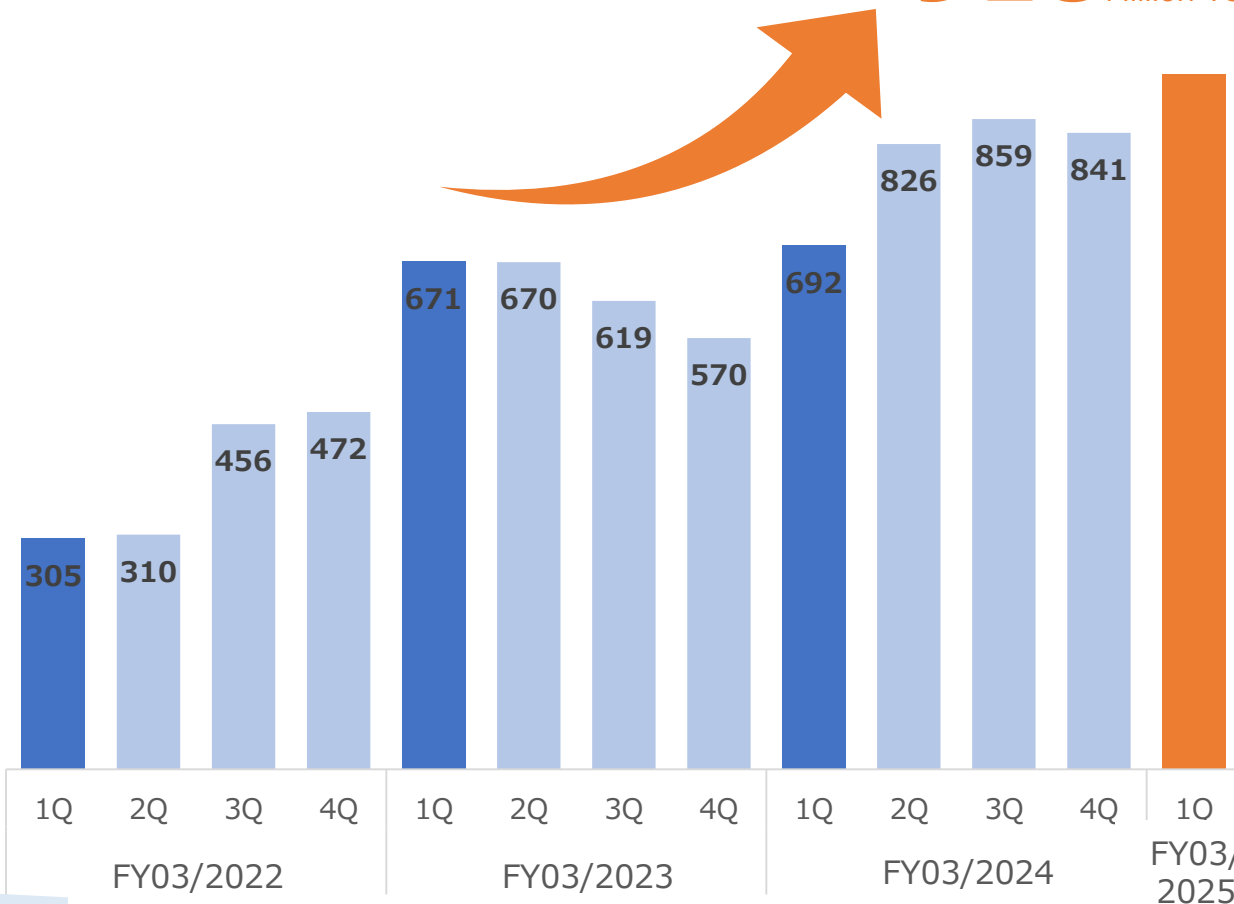


Trends in cross-border online sales, duty-free sales and store sales

Cross-border online sales achieved strong sales, which stood at **133%** of the year-ago level, while duty-free sales rose **2.5** times from the year-ago level.

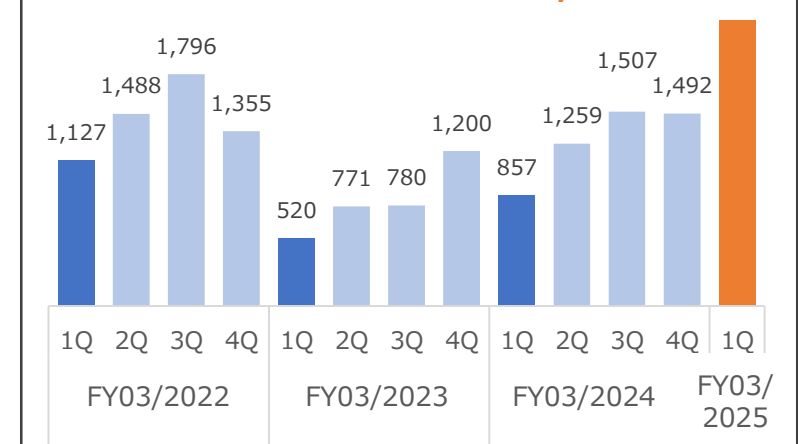
Cross-border online sales (overseas malls)

918 Million Yen



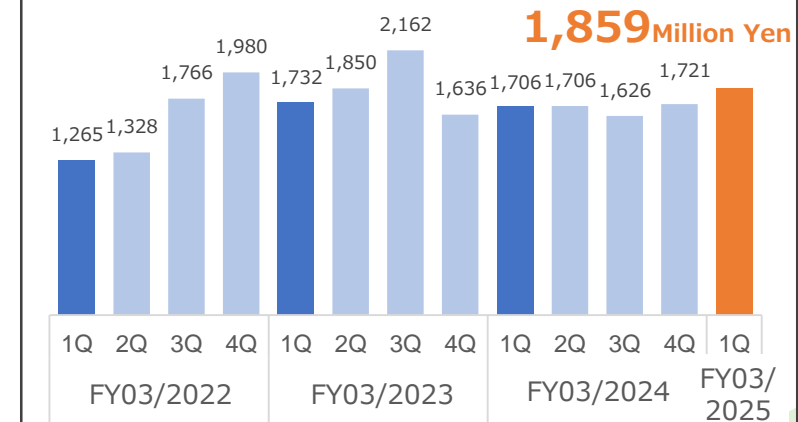
Duty-free sales

2,214 Million Yen



Store net sales (excl. duty-free sales)

1,859 Million Yen

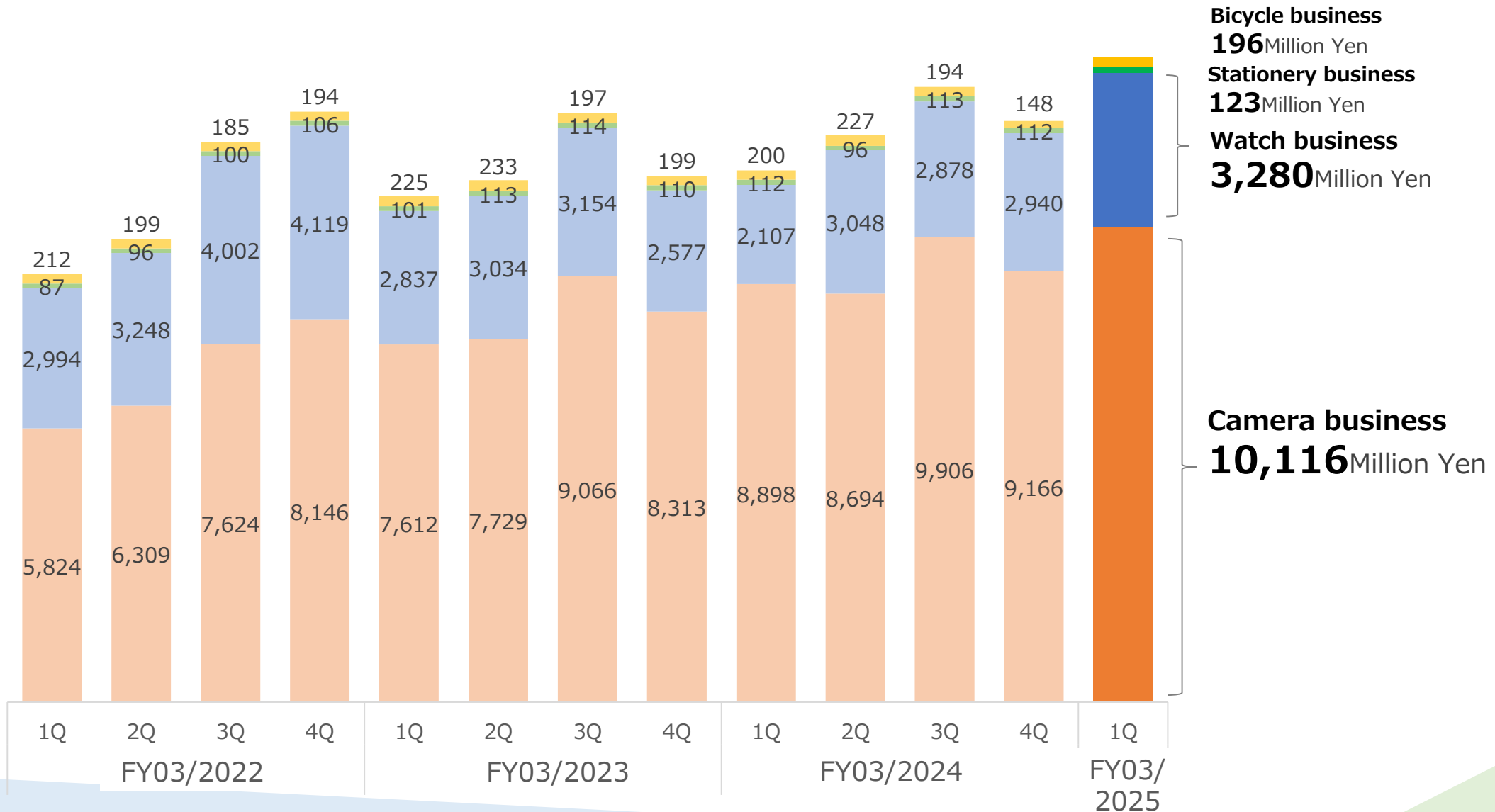


Net Sales by Segment (Quarterly)



Sales of the mainstay camera business were **114%** of the year-ago level, **achieving a record high** on a quarterly basis.

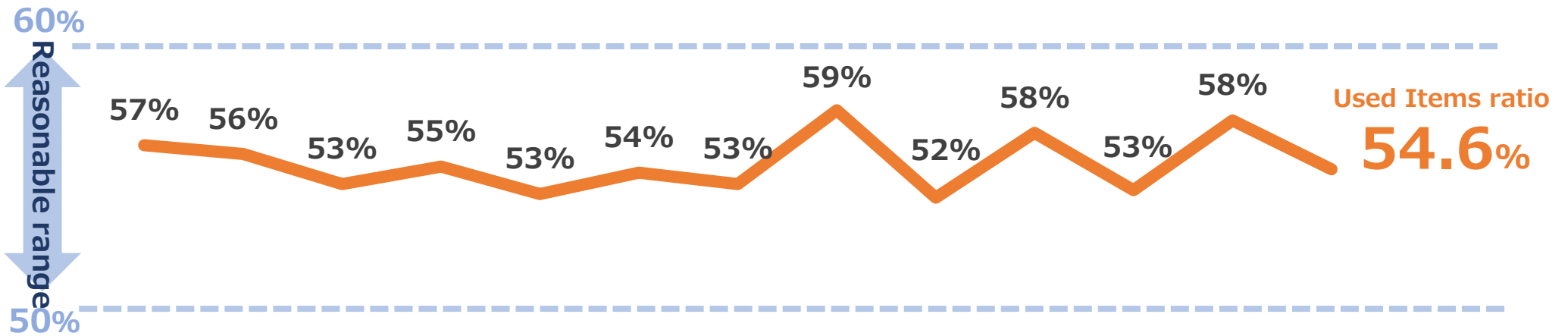
Sales of the watch business were **156%** of the year-ago level, maintaining steady growth.



Trends in Ratio of Used Items to Total Sales



Used items were **54.6%** of net sales in 1Q. The cycle of new purchases and replacement purchases **remained strong**.

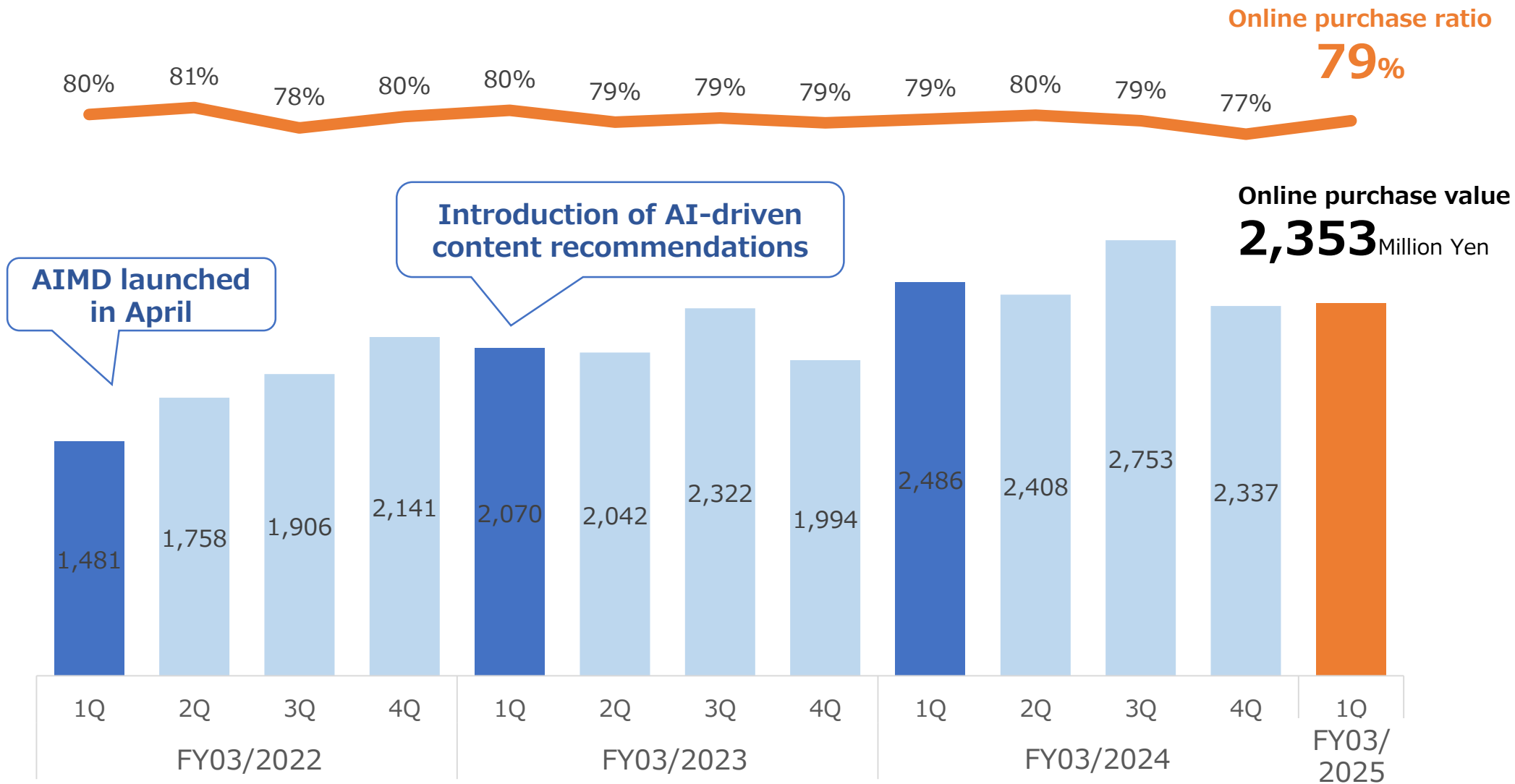


1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
FY03/2022				FY03/2023				FY03/2024				FY03/2025

Trends in Online Purchases of Used Cameras

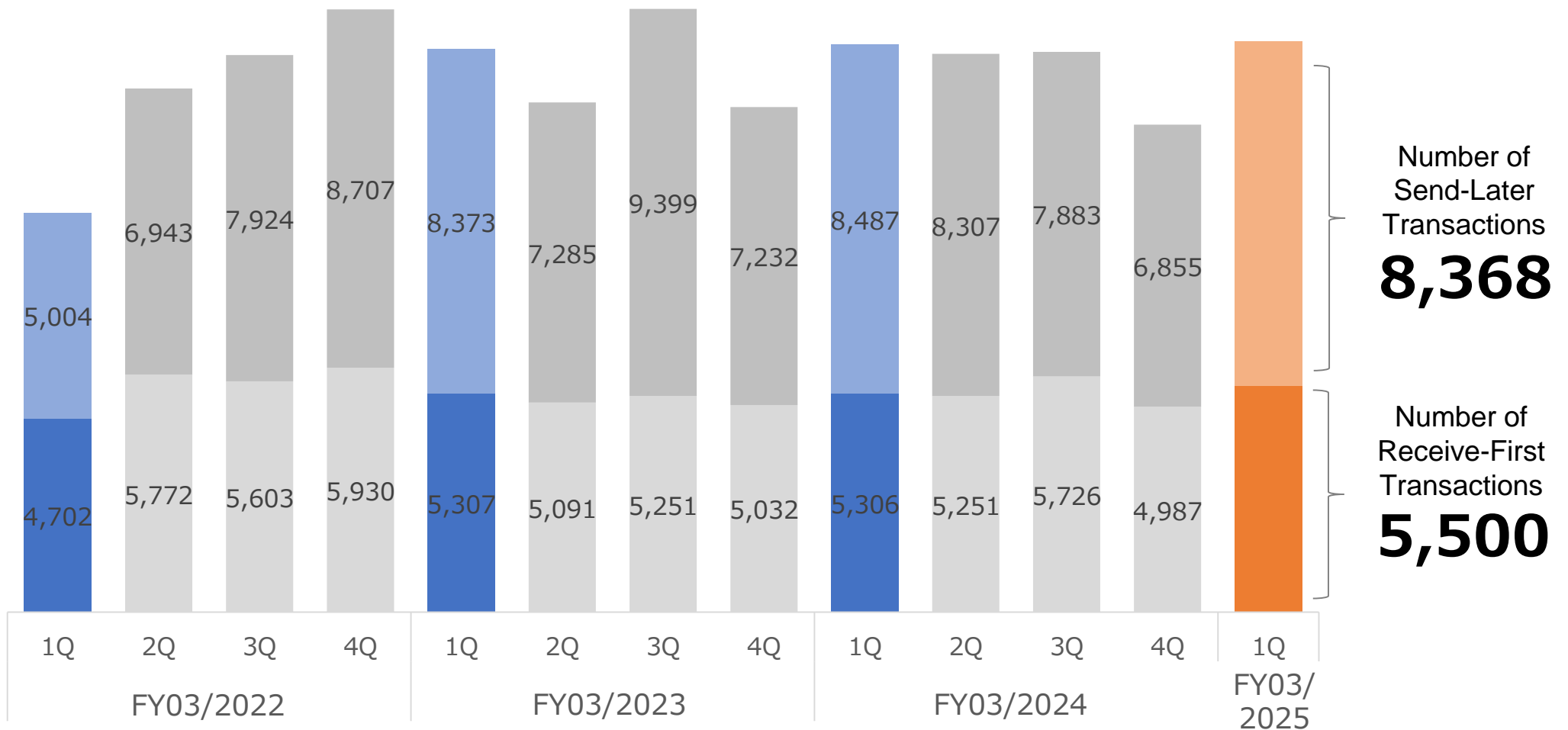


The online purchase ratio continued to hover at **above 78%** after the introduction of the **AIMD (AI-driven MerchanDising)** system and the **AI-driven content recommendations**.



Trends in the Number of Receive-First Send-Later Transactions

Used item purchases remained steady because **the number of receive-first/send-later transactions remained sufficient** at the year-ago level.





Financial Highlights

Summary of Financial Results



Net sales stood at **greater than 120%** of the year-ago level while ordinary profit was **150%** of the year-ago level.

Changes from year-ago levels and plans reflected strong results.

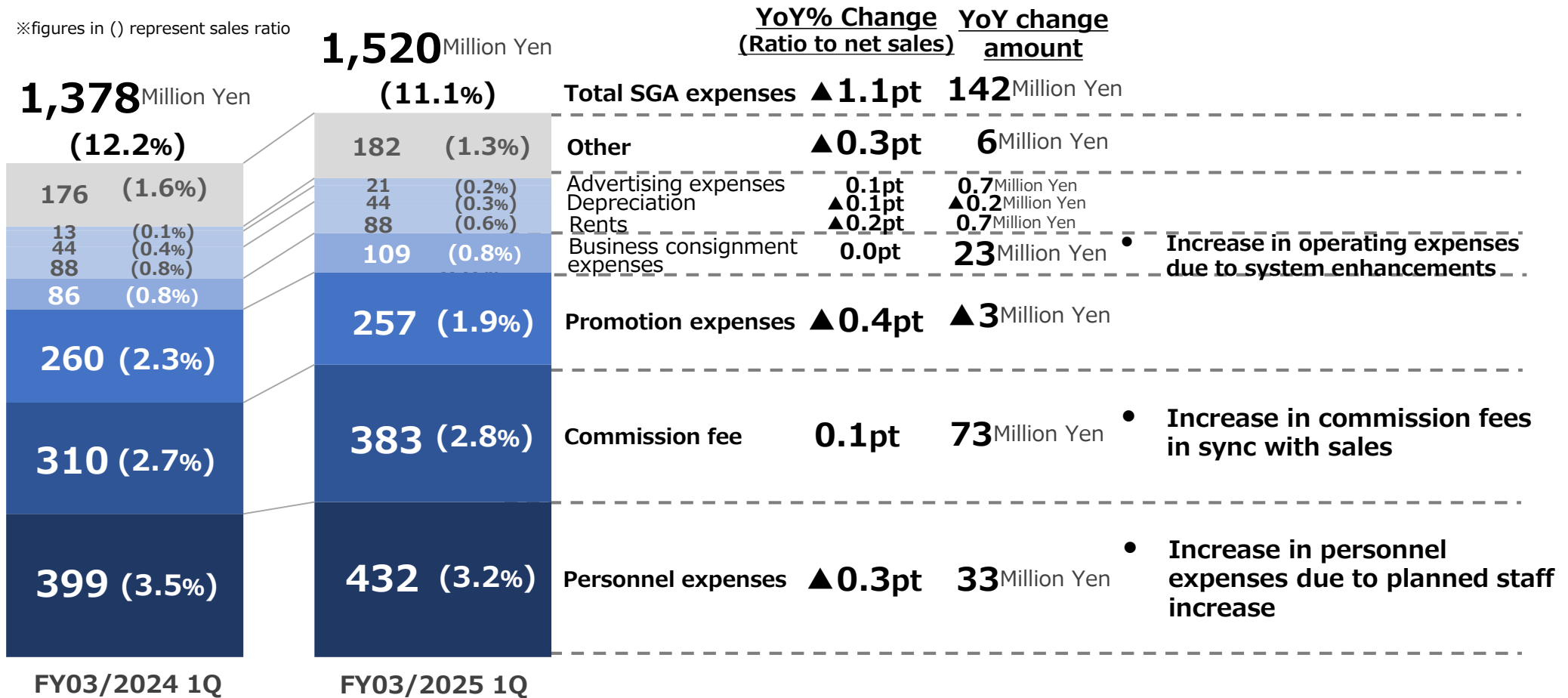
(Million Yen)

	FY03/2024 1Q		FY03/2025 1Q				
	Actual	Share	Actual	Share	YoY% Change	Plan	Percent of plan (target)
Net sales	11,316	—	13,716	—	121%	13,399	102%
Gross profit	2,198	19.4%	2,707	19.7%	123%	2,490	109%
SGA expenses	1,378	12.2%	1,520	11.1%	110%	1,599	95%
Operating profit	819	7.2%	1,186	8.7%	145%	891	133%
Ordinary profit	818	7.2%	1,225	8.9%	150%	883	139%
Net income	546	4.8%	843	6.2%	154%	609	138%

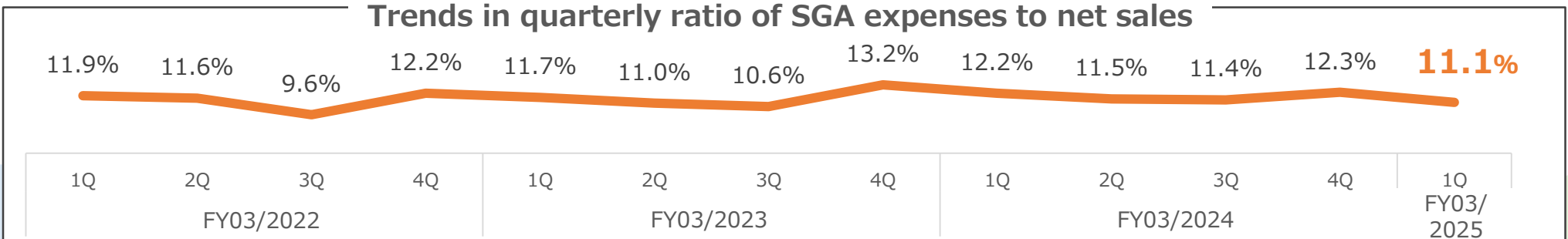
Year-on-Year Change in SGA Expenses

The SGA expense ratio decreased to **11.1%**, reflecting efforts to further improve management efficiency amid higher sales

※figures in () represent sales ratio

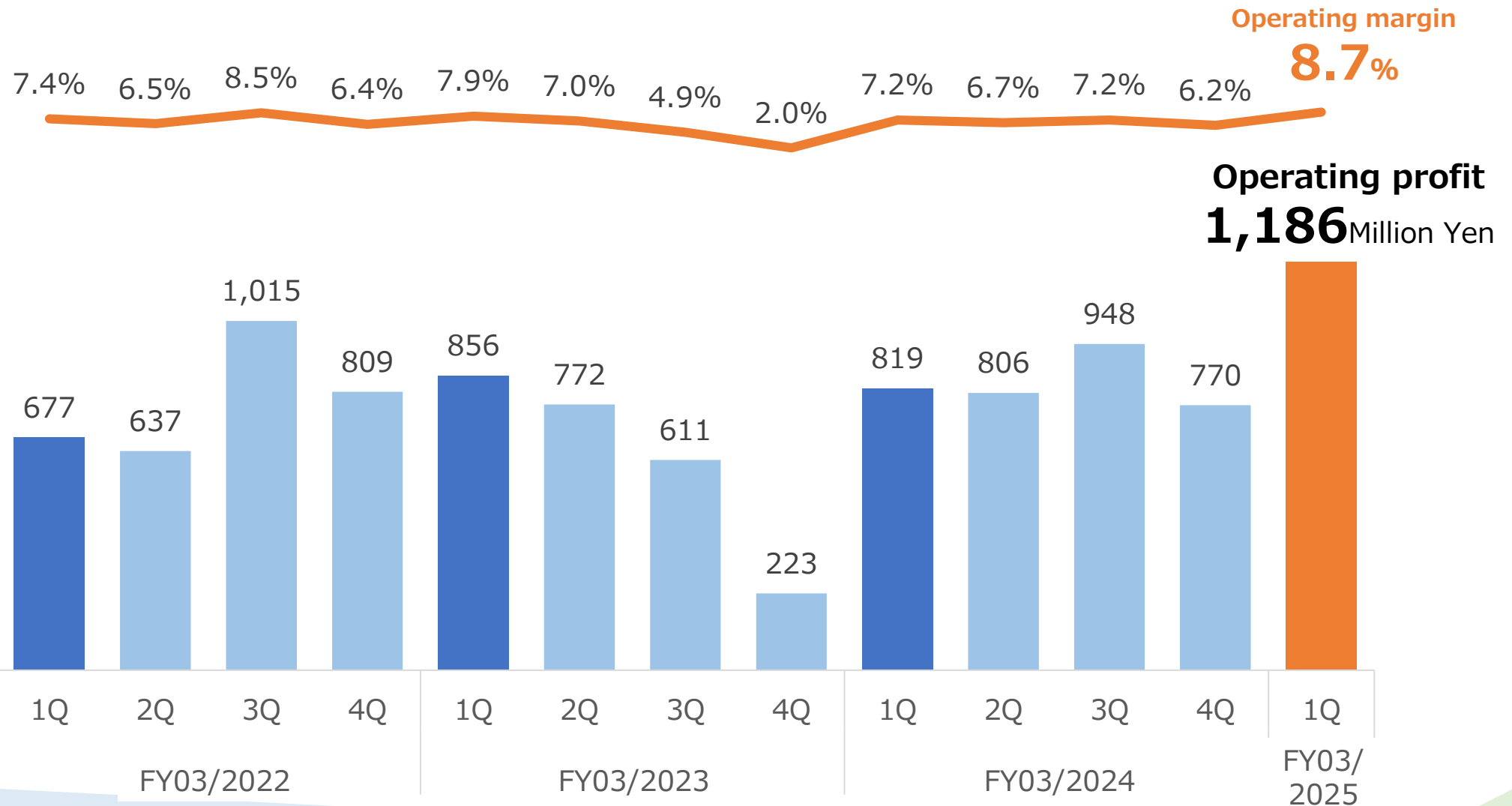


Trends in quarterly ratio of SGA expenses to net sales







Trends in Operating Profit and Operating Margin (Quarterly)

Operating profit reached a record high on a quarterly basis. Recovery in watch sales boosted operating profit and in addition, the operating margin remained steady.



Year-on-Year Changes in Net Sales and Profit by Segment

(Unit: Million Yen)

Segments Figures in parentheses () are the percentage of total net sales.	Sales Channel	FY03/2024 1Q	FY03/2025		Remarks
			1Q	YoY% Change	
 Map Camera [®] Camera (73.7%)	Online net sales	7,531	8,141	108%	<ul style="list-style-type: none"> ● Online net sales and store net sales were both strong. ● Segment sales stood at 126% of the year-ago level and double-digit growth was achieved in both net sales and profit.
	Store net sales	1,365	1,974	145%	
	net sales	8,897	10,116	114%	
	Operating profit	1,084	1,365	126%	
 GMT Watch (23.9%)	Online net sales	1,004	1,242	124%	<ul style="list-style-type: none"> ● Segment profit was 333% of the year ago level, which had reflected a loss on valuation of watch prices, and an environment in which profit is recorded stably was established.
	Store net sales	1,102	2,038	185%	
	net sales	2,106	3,280	156%	
	Operating profit	54	180	333%	
 KINGDOM NOTE [®] Stationery (0.9%)	Online net sales	81	86	107%	<ul style="list-style-type: none"> ● Net sales and profit recorded double-digit growth thanks to measures to increase online sales, such as advance sales on LINE.
	Store net sales	30	37	122%	
	net sales	111	123	111%	
	Operating profit	14	23	166%	
 CROWN GEARS Bicycle (1.4%)	Online net sales	136	179	132%	<ul style="list-style-type: none"> ● Online sales achieved double-digit growth. ● Profitability was maintained despite weak market conditions.
	Store net sales	63	17	27%	
	net sales	200	196	98%	
	Operating profit	7	6	86%	
Total	Online net sales	8,753	9,649	110%	<ul style="list-style-type: none"> ● Store net sales increased by more than 1.5 times year on year partly due to growth in duty-free sales. ● Online sales also achieved double-digit growth year on year.
	Store net sales	2,562	4,066	159%	
	net sales	11,316	13,716	121%	

Changes in Balance Sheet from End of Previous Year



While inventory shortages remained an issue, **merchandise inventories increased approximately 300 million yen from the level at the end of FY03/2023.**

Recovery close to the targeted level was achieved.

(Million Yen)

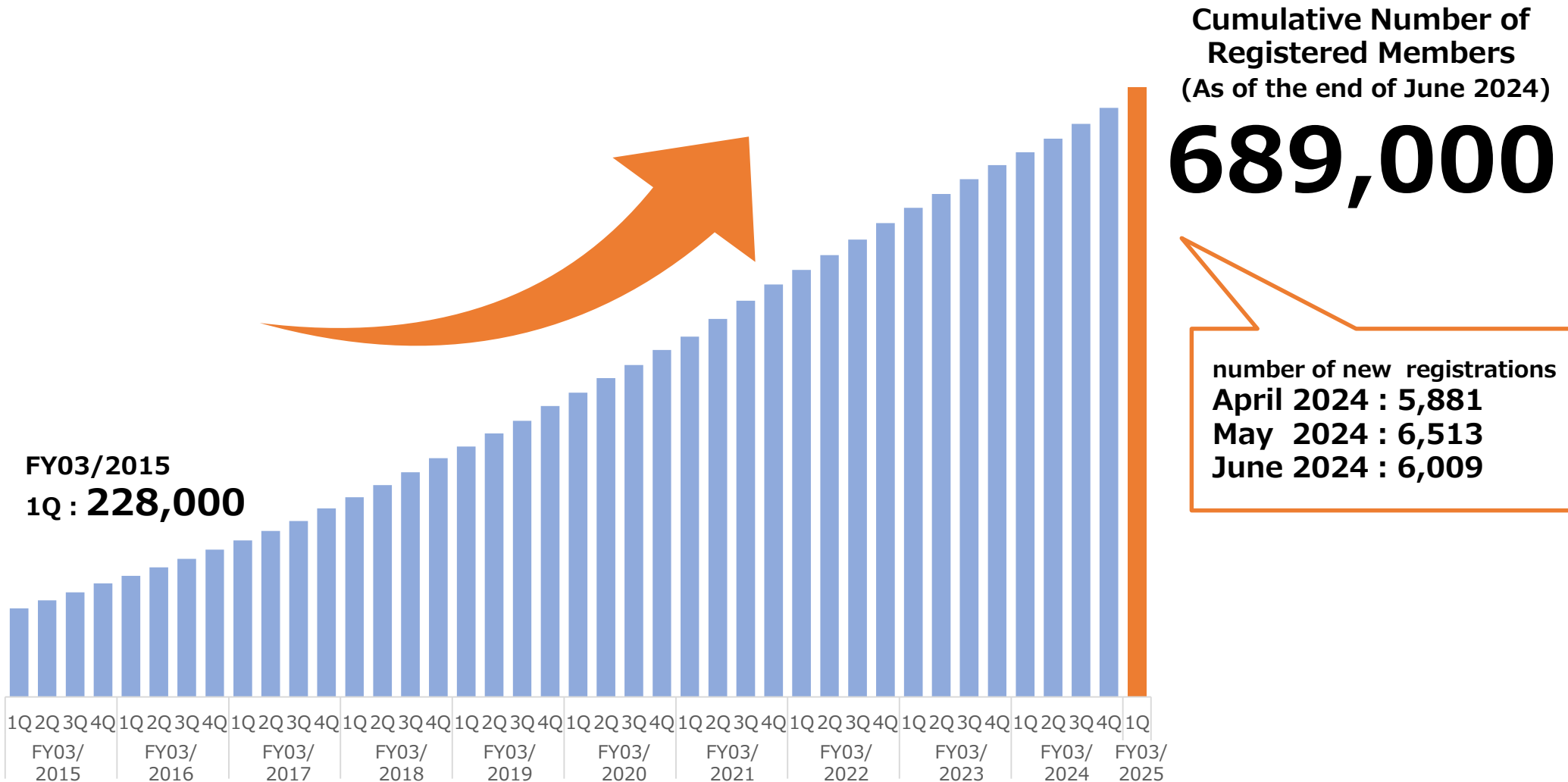
	End of FY03/2023	End of 1Q of FY03/2024	
		Actual	Change
Current assets	13,961	15,087	1,125
Cash and deposits	1,321	1,866	545
Merchandise	9,265	9,561	295
Non-current assets	2,101	2,108	7
Total assets	16,063	17,195	1,132
Current liabilities	5,979	6,554	574
Non-current liabilities	1,817	1,689	▲127
Total liabilities	7,796	8,243	447
Total net assets	8,266	8,951	685
Liabilities and net assets	16,063	17,195	1,132



Number of Online Members and Notifications

Trends in the Quarterly Number of Online Members

The number of new members increased by **more than 5,000 to 6,000 per month**, reaching a record high.



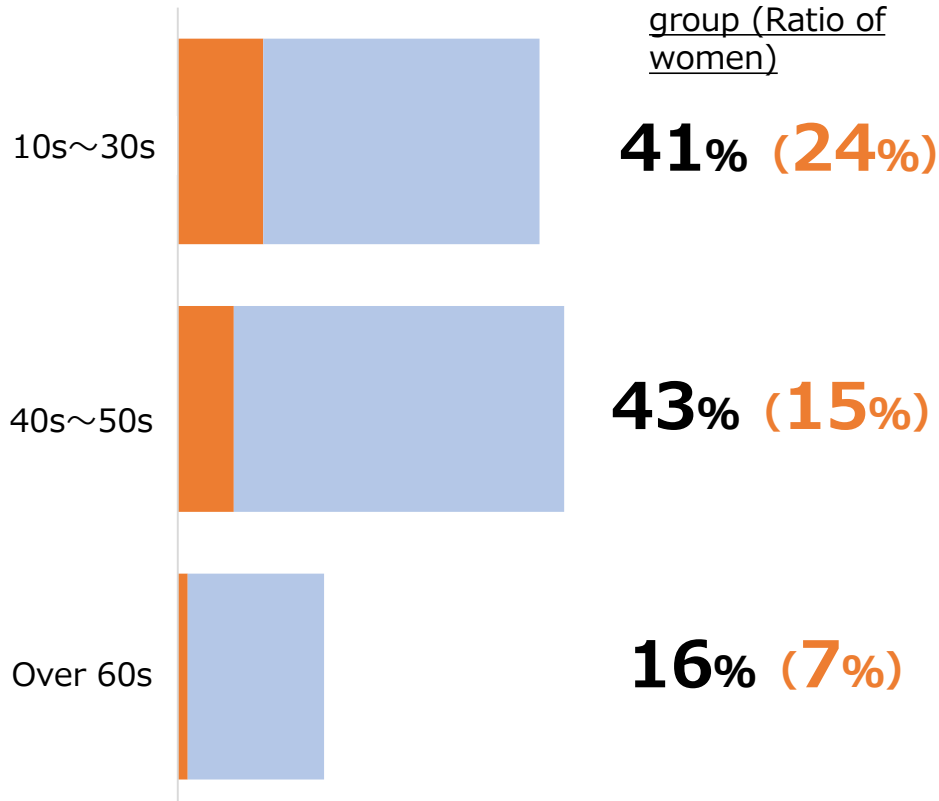
Attributes of Online Members: Distribution by Age Group/Gender

Women in their 10s to 30s account for a high percentage, **approx. 24.0%**, reflecting the popularization of social media such as Instagram.

Women accounted for 23% of new members in 1Q, maintaining the ratio of over 20%. *The ratio of women to all online members: 17%

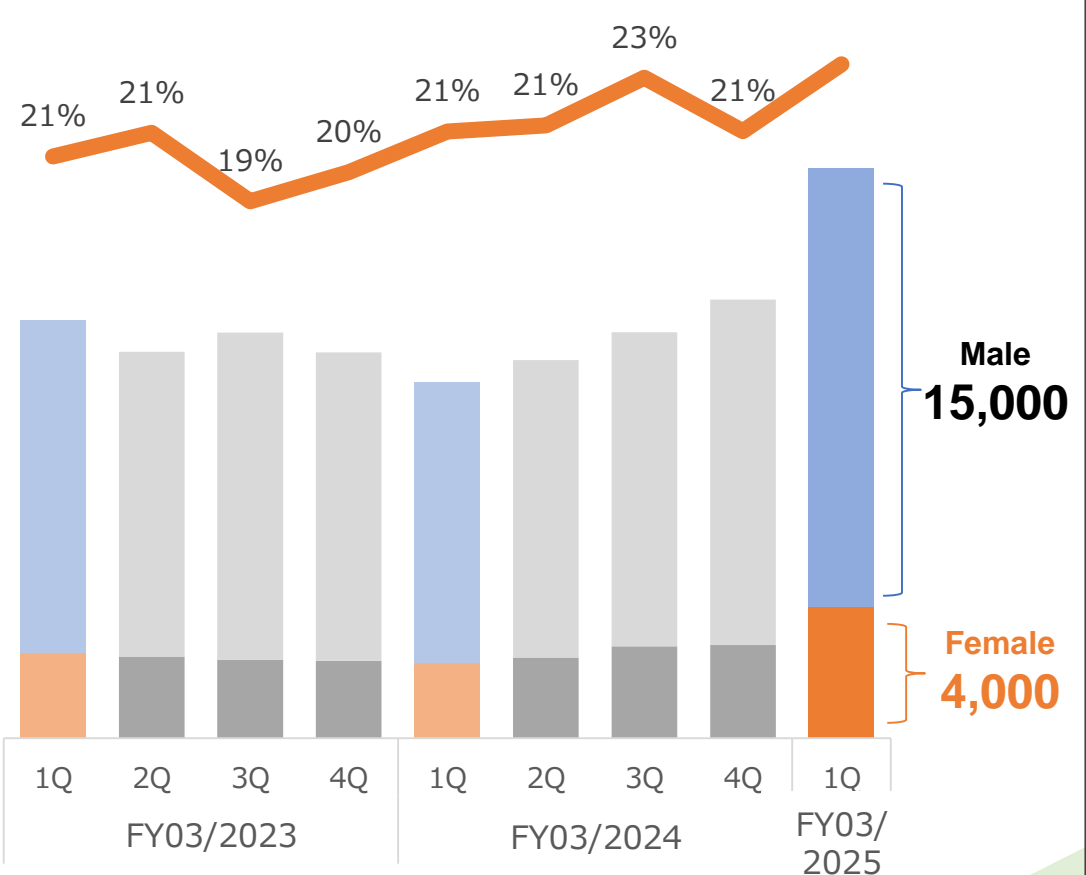
Distribution by age group / Ratios of women in each age group

Distribution by age group (Ratio of women)



Number of new members by gender

Female Ratio **23%**

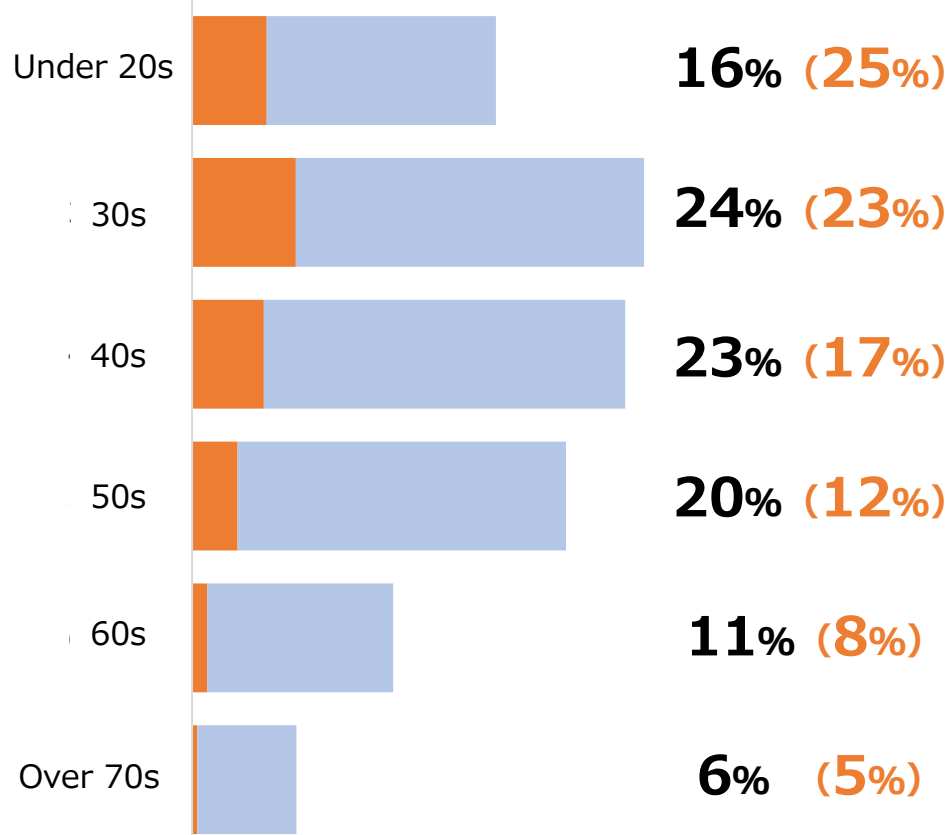


Reference: Member Ratio by Age Group / by Area

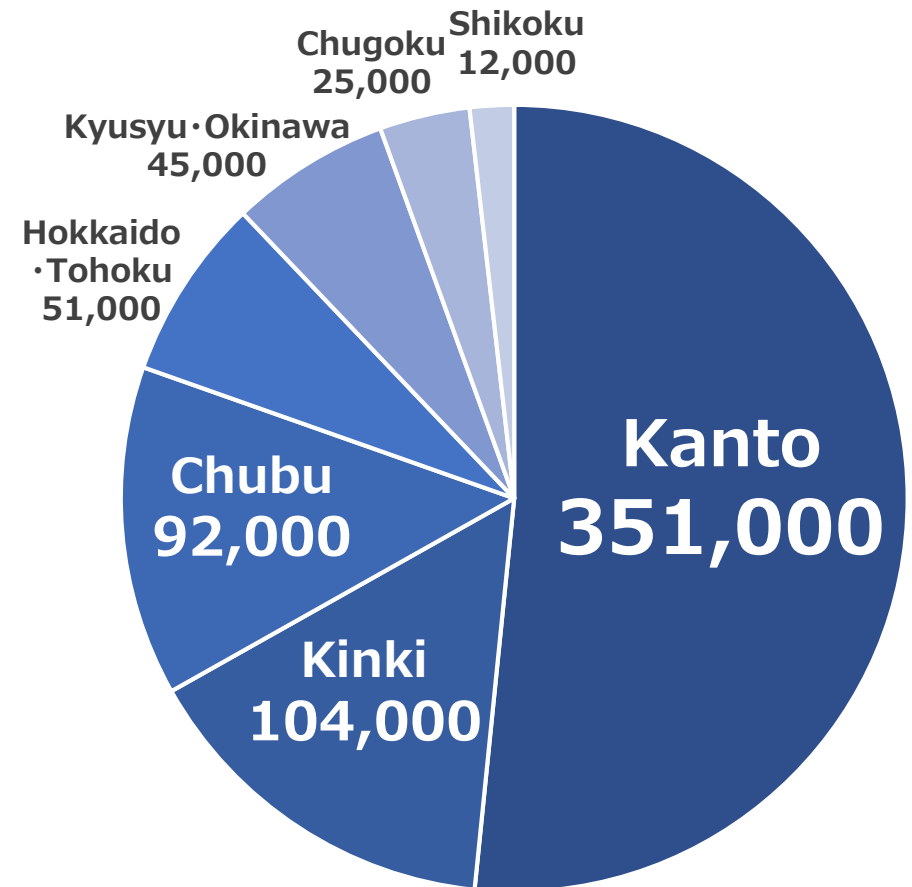


Age Distribution/Female Ratio

Age Distribution (Female Ratio)



Regional distribution



Technology Development and Number of Notifications



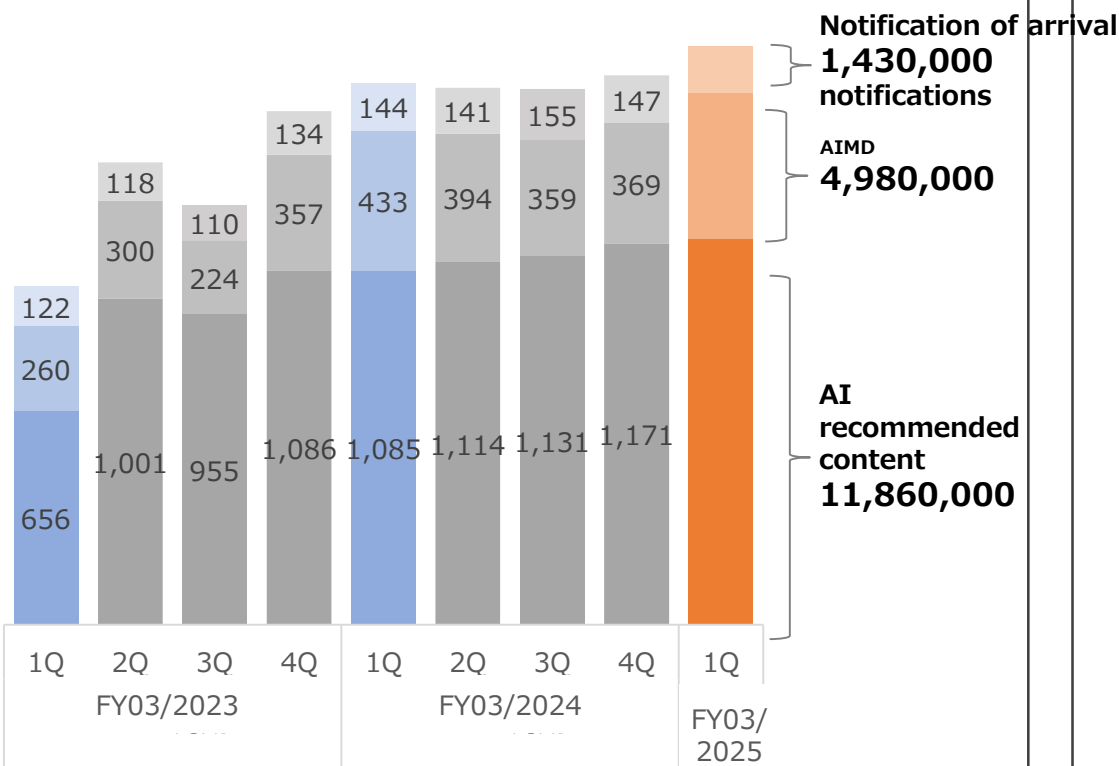
The number of AI-based **automatic notification** remained at high levels (1Q: **18,270 thousand notifications**). The number of **notifications on LINE** grew by **16 times** after implementation of enhancement measures.

Number of notifications by purpose

18,270 thousand notifications are equivalent to approximately 400 stores*

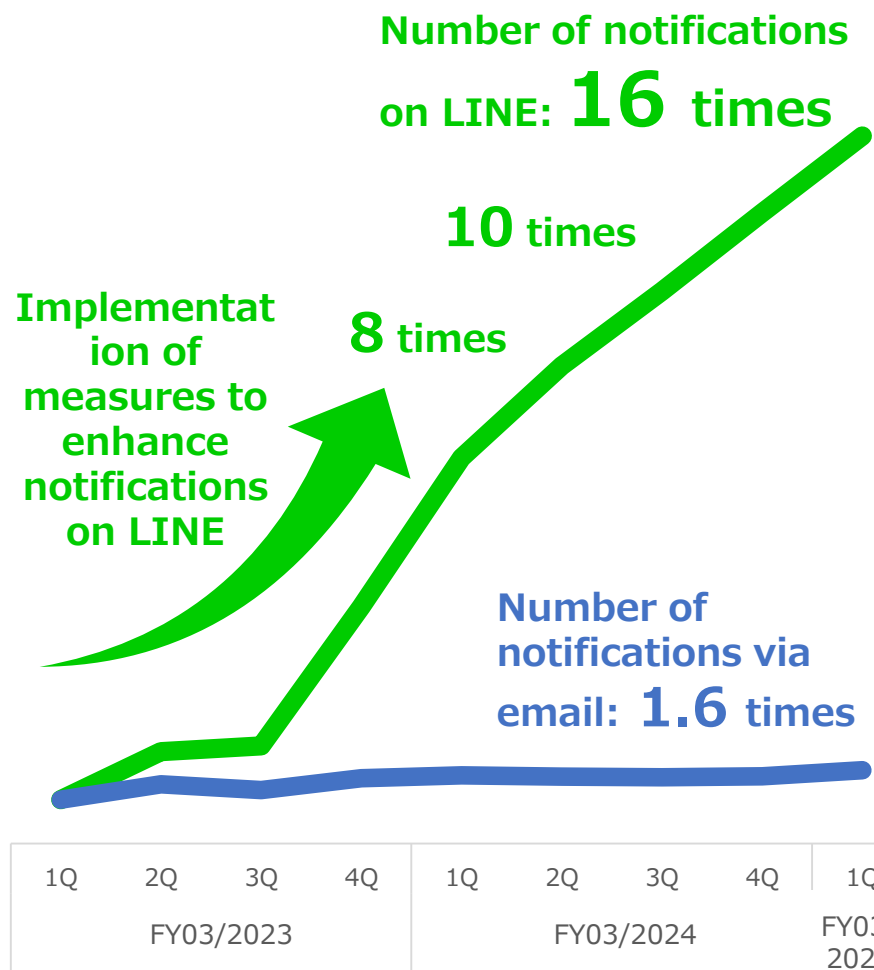
The Company's calculation: Based on the assumption of converting the number of notifications to that of customers visiting stores.

Total 17,740,000



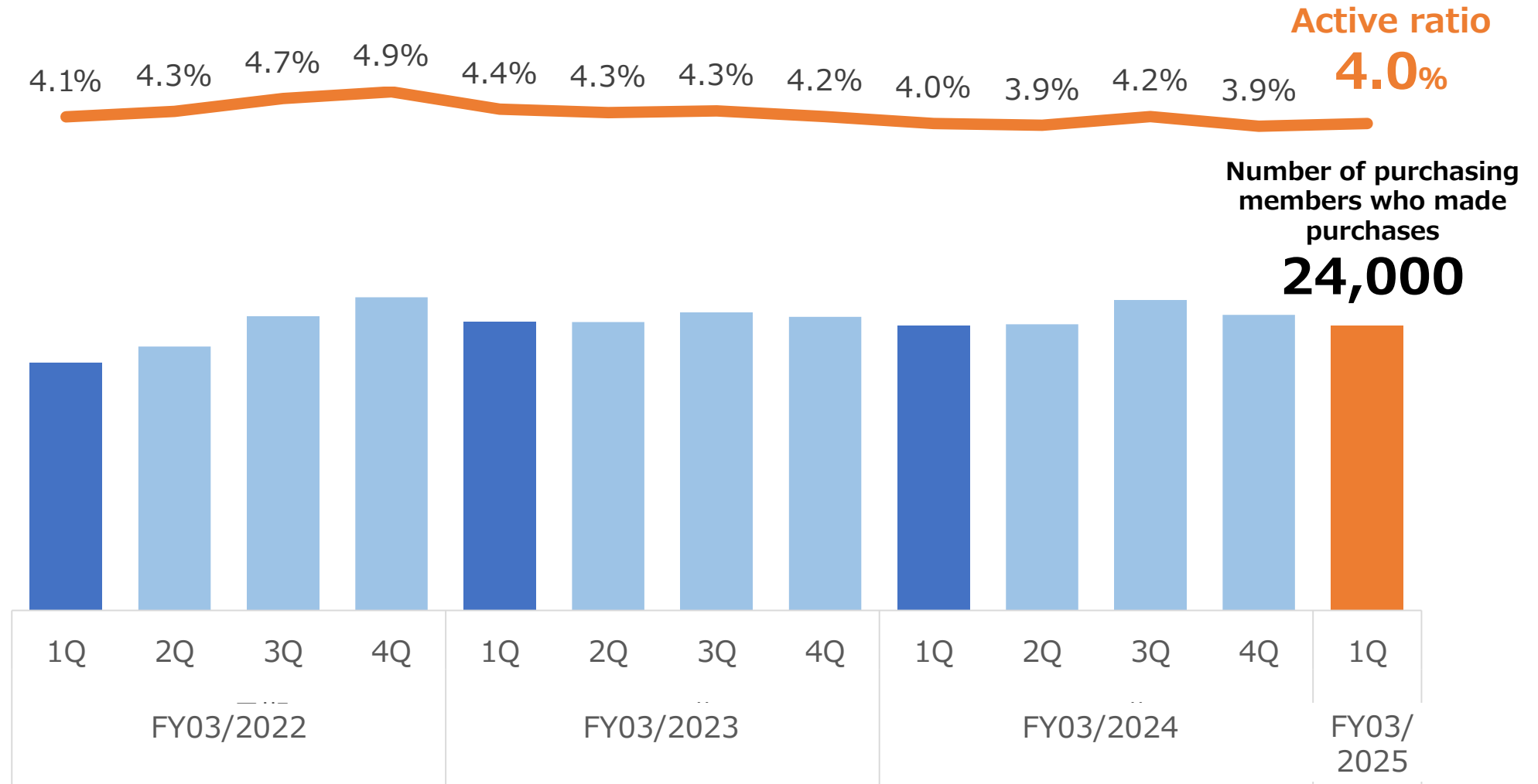
Number of notifications by medium

(expressed as a ratio to the level in 1Q of FY03/2023)



Quarterly Activeness Ratio of Online Members (Existing Customers)*

Both the number of online purchasing members included in existing customers (the Company's website) and the activeness ratio **remained strong**.



*Activeness ratio: The ratio of the number of members who made purchases in a quarter (excluding new members) to the number of members at the beginning of the quarter

Number of Items Registered on the Wish List

The number of new registrations continued to hover **70,000 to 80,000 per month.**

Wish List

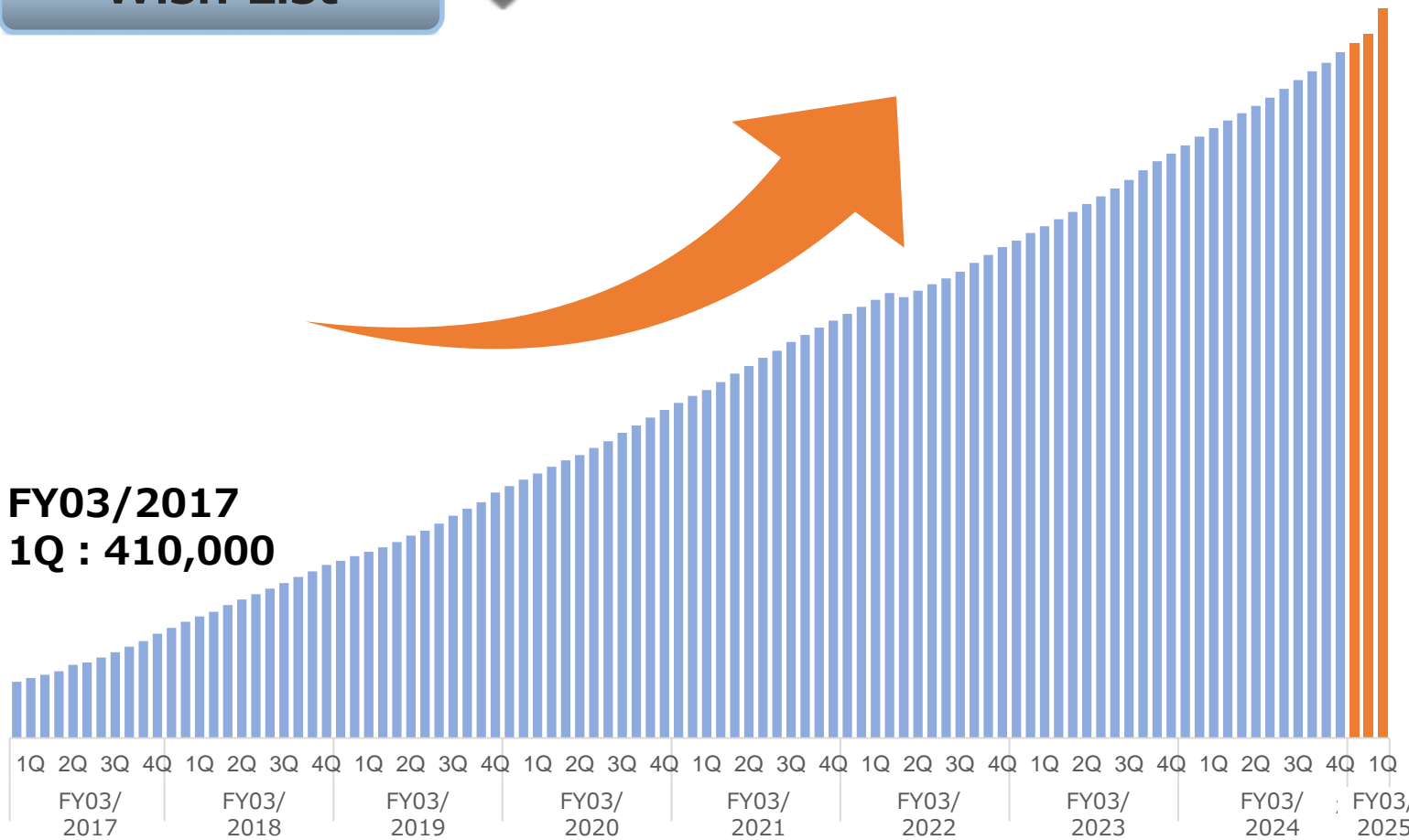


Total registrations
(As of the end of June 2024)

2,350,000

number of new registrations
 April 2024 : 73,556
 May 2024 : 76,575
 June 2024 : 73,608

FY03/2017
1Q : 410,000



*When a registered product is purchased, it is automatically removed from the list

Number of Registrations for E-mails that Communicate Arrivals



New registrations in 1Q increased steadily to **approximately 26,000**, reaching a record high. An average of about **500,000 notifications per month** were sent to customers' smartphones.

Arrivals

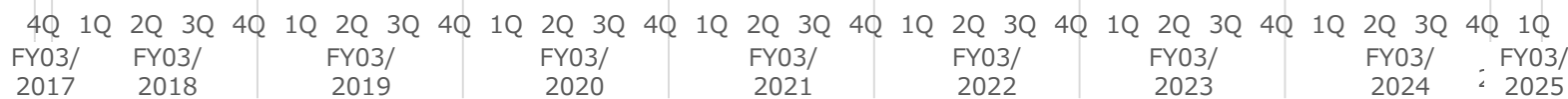


Total registrations
(As of the end of June 2024)

160,000

number of new registrations
 April 2024 : 7,954
 May 2024 : 9,517
 June 2024 : 8,356

FY03/2017
4Q : 9,000

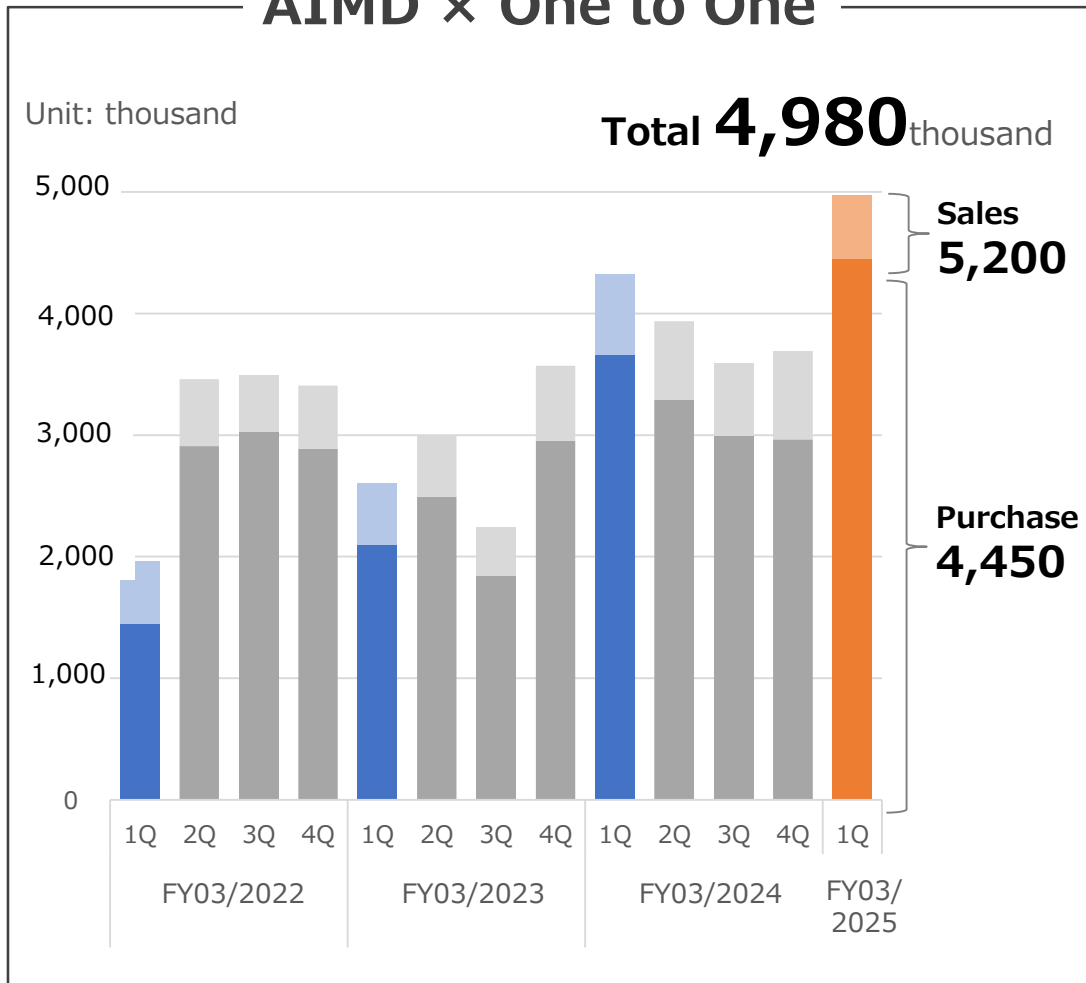


AIMD x One to One x AI-driven Content Recommendation

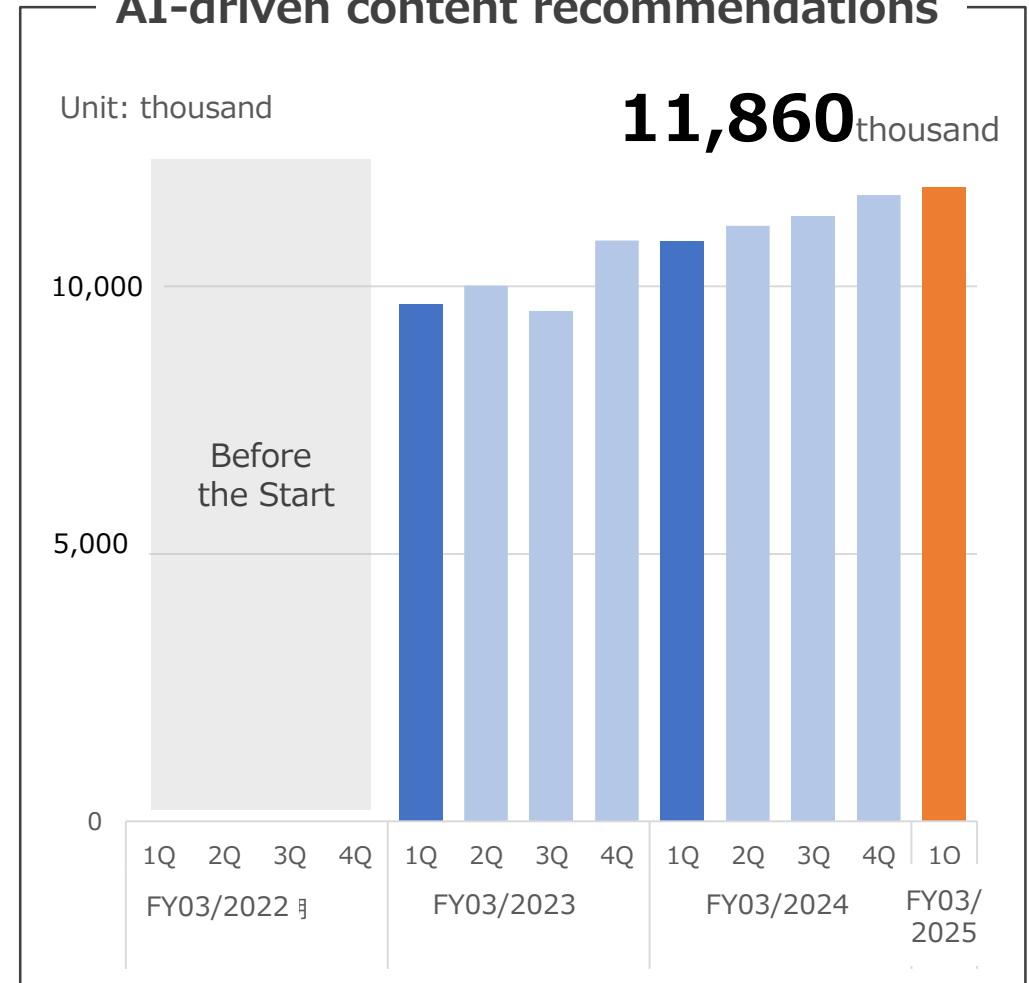


The number of "AIMD x One to One"-based notifications **reached a record high**.
 The number of AI-driven content recommendations increased steadily.

AIMD x One to One



AI-driven content recommendations



Notes on Forward-Looking Statements

- The materials and information provided in this presentation include so-called forward-looking statements. These statements are based on assumptions that include current expectations, forecasts, and risk factors, which include uncertainties that may cause actual performance to differ from these statements.
- These risks and uncertainties include general industrial and market circumstances and general domestic and international economic conditions such as fluctuations in interest rates and currency exchange rates.
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